More of Frank A. Vanderlip's Absorbing Revelations

THE FINANCIAL POST

The Canadian Newspaper for Investors

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FRANK A. VANDERLIP CONTINUES HIS INTIMATE PEN PICTURE OF THE AWFUL EFFECTS OF WAR ON EUROPE

Tells of the Great Handicaps Imposed on British Industry

FRANCE'S VAST DEBTS

Staggering Financial Problems Are Presented by the Enormous Debts and Curtailed Income of France

The publication last week by THE FINANCIAL POST *of the first instalment of Mr. Vanderlip's impressive account of conditions in war-torn Europe proved to be one of the most highly-appreciated services yet rendered by this paper to its readers. From many quarters commendation of the* POST'S *enterprise in securing this important feature has been received. The second instalment is now presented and, if any readers missed last week's issue and are anxious to secure the first instalment, copies of the paper will be gladly sent on request. Publication of Mr. Vanderlip's work is made by special arrangement with the New York* SUN.

ENGLAND'S industrial situation and outlook are enormously interesting to Americans. Since the birth of modern industrialism England has been predominant in the international industrial field. At no time prior to the war did she cease to make progress, although Germany and the United States in later years progressed on so much more rapid a scale that England's premier position was being endangered.

England's great industrial advantage lay in her coal and her workmen. Most of her raw material had to be imported. She could not feed herself, but with the genius of the English for industrial organization the island was turned into one huge industrial settlement and a national life has been built up which is as dependent upon a continuation of outside demand for products of English workshops as would be the case with a New England mill town. There is a population too large to be fed by home supplies that gains its living by passing raw materials through the workshops and selling the product to foreign countries for the means with which to buy food and more raw materials.

I think the picture of England that is in the mind of the average American manufacturer who is looking forward to international competition is that her industries have greatly benefited by the war. He has known English industry before the war as hampered in the introduction of the latest types of labor-saving machinery through a certain conservatism on the part of both employers and men, while the restrictive rules and agreements of union labor limited the output below the output per man in our own shops under similar circumstances.

Factors in England's Future

Our American manufacturers believe that the war has greatly improved the position of English industry through a forced awakening to the possibilities of labor saving machinery and through the relaxation of restrictive regulations imposed by unions. The general belief in America is, or at least was three months ago, that America will encounter more intelligent and more effective competition from British industry than has ever been the case before, and that while Great Britain faces some desperate needs, the very pressure of her difficulties would inspire her industry with a keener intelligence in its production and more insistent pressure for output. On the whole, it was believed that the war would result in a great revival in British industry.

Now let us examine the facts in the light of events of the first six months following the armistice. Indeed, it is rather necessary to go back of that and look a little more deeply into the reason why England kept her industrial supremacy as well as she did. Compared with the United States she was handicapped by lack of raw material. That disadvantage was in a way compensated for by her ability to load steamships for both the incoming and the outgoing trip.

Foodstuffs and raw material came in, more bulky, it is true, than the manufactured goods that went out, but there was never a line of steamships, no matter whence they might come, to which England could not furnish something of a cargo outbound. Her outgoing bulk was increased by her great coal shipments, and so, on the whole, there was a fair balance in cargoes and much of her disadvantage in respect to domestic raw material was overcome. Still Germany was better placed as to raw material and had a greater genius for factory organization, and rapidly advanced in her relative position. America, rolling in a wealth of raw material, but with a wage scale two to three times as great as her European competitors, made her best progress in those types of production where labor cost was a comparatively small part of the completed value.

The Wage Question

The struggle in the neutral markets, however, was so keen that it bore on England with increasing severity. The obvious way to hold down cost in the minds of most manufacturers was to hold down wages. That was resisted by the most complete union labor organization in the world.

Eighty-five per cent. of the industrial workers of Great Britain are said to be organized in unions, and the leadership has on the whole been of an extremely high order. It has in the main been studious leadership, in which men have recognized that there are immutable economic laws and have striven to understand them and conform to them. This was met by a good deal of blind toryism among the employers, although on that side there are examples of liberalism of thought and a depth of intelligence that I do not think can be matched in America.

On the whole the forces tending to keep down wages proved for twenty years prior to the war almost as strong as the forces tending to raise them, and the result has been during that period that with a somewhat increasing cost of living the standard of living of the laborer has certainly not much advanced and I believe on the whole has retrograded. Whatever the statistics of index numbers may show, at least two great broad facts are evident. One of these is the deterioration in physique. It may seem strange to suggest a deterioration in English manhood in the light of England's accomplishment during four and a half years in battle. Certainly she is not a nation in physical decadence, for never has there been shown such bulldog tenacity or greater physical courage. Nevertheless, a visit to the mill towns of the cotton spinning districts, for example, shows almost another race of people compared with the well-fed Englishmen we know in London, a race undersized, underfed, underdeveloped and undereducated.

Lloyd George's famous utterance that you could not build an A-1 nation out of a C-3 population has sunk deep into the English mind. The statistics of physique which the military annals produce show that one-third of the male population of fighting age was unfit for military effort.

The Great Housing Problem

The other great outstanding fact indicating in British industry a wage scale insufficient for what is regarded as a minimum standard of living is found in the great national housing problem. The brutal truth is that England's labor has been so underpaid during the last generation that it has been unable to keep a roof over its head, and to-day there is urgent need for homes for a million working men's

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STEAMSHIP BONDS

Million Dollar Issue to be Floated Next Week

A public offering will be made during the early days of the coming week of $1,000,000 of bonds secured by a first mortgage on the assets of the Bishop Navigation Co., including the steamer Iber Heath, valued at $2,109,000, a twin screw steel freighter of a gross tonnage of 9,192, which is now undergoing alterations at Halifax, under Lloyd's surveyors. The work will be completed about August, when the Iber Heath will be entitled to the highest classification. She will ply from Atlantic ports and will be insured for over 150 per cent. of the bond issue.

The bonds, it is believed, will be dated July 15, and will mature serially up to ten years. The issue will be put out by A. E. Ames and Co.

The directors of the company are well known, and it would appear from their other associations that this navigation company, formed to meet the tremendous present need for shipping, will be closely allied with the Canada Steamships Lines, Ltd.

The officers are: R. M. Wolvin, of Montreal, president; F. H. Markey, vice-president; H. W. Brown, managing director; J. W. Norcross, F. S. Isar and T. R. Enderby, directors.

IMMIGRATION WILL BE RESUMED

Opinion in Railway and Steamship Circles That Lack of Shipping is the Sole Obstacle

Inquiries made by THE FINANCIAL POST in railway and steamship circles lead to the belief that the rush of immigrants to this country will be renewed just as soon as shipping is available. One authority stated that there would be "heavy immigration" from England and Scotland. There had been little from Ireland for several years before the war. Then large numbers were certain to come over from Belgium, both to Canada and the United States, with Holland sending thousands, and Scandinavia, Norway and Sweden. The Italians usually go back for the winter. In every case the name of Canada had become better known through the war, and with Belgian, English and Scotch the personal association with the Canadians would count for much in deciding thousands in favor of coming over to Canada. He also believed that Hungarians and Galicians would desire to come to the New World, and many thousands of Germans—if they were allowed. The admission of Germans and any alien enemies was as yet forbidden, and this might be the case for a long time to come, although there were indications that their merchandise would soon reach this country as it would the United States.

It is learned that the leading agencies behind immigration to Canada have begun an active work for immigrants who will be willing to go out on the land. The coming to Canada of mechanics or others who would naturally congregate in the cities and make employment for the returned soldiers and others in this country more difficult, is being discouraged, although it is almost impossible, practically, to exclude immigrants of the other class.

In the case of Western Canada it is learned that there has been a fairly heavy immigration from the United States over the border to Canadian farm lands this season. The last week or so this has been checked to some extent by the rather unfavorable reports as to the crops, but it is the belief that the number of United States farmers who will come over in 1919 will exceed by a large margin the very considerable number who joined this country in 1918. On the other hand, as an official of the C. P. R. stated, there is likely to be less selling of land there this year on domestic account. This went on largely the last two years through the excellent crops and the high prices but the record can hardly keep up this year as well.

In connection with German immigration THE FINANCIAL POST is informed that arrangements had been made for the immigration of no less than 3,000,000 Germans to Brazil and a large number besides to the Argentine. Both of these countries were zones of German "influence" prior to the war.

DOM. TEXTILE CO. FINANCING FOR $9,000,000 MILL

Asking Shareholders to Authorize Bond Issue of $15,000,000

DOUBLING CAPACITY

By Far the Largest Mill in Canada to be Built at St. Lambert—Over $7,000,000 For Refunding

By Resident Representative.

MONTREAL. — A special general meeting of the shareholders of the Dominion Textile Company has been called for the 26th day of August next at 12 o'clock noon to consider and, if deemed advisable, to sanction a by-law, passed by the directors authorizing the creation of a 30-year bond issue amounting to $15,000,000. Not all of this will be issued at once, but as was stated some weeks ago when the subject was first mentioned by THE FINANCIAL POST, this issue will come out in blocks from time to time and will take care of the bond payment of $1,500,000 to Canadian Cottons and $875,000 cash for their Mount Royal Mill, which the Textile Company recently took over from them at the end of a ten-year rental. Then there will be amounts issued from these new bonds to refund bond issues running into the year 1925.

These issues to be refunded include $550,000 of Montmorency Cotton Mills bonds, less $127,500 redeemed, which are due July 2, 1921; $3,700,000 6 per cent. second mortgage 20-year gold bonds of the Dominion Cotton Mills Company, due July 1, 1922, and $3,267,500 6 per cent. gold bonds of the Dominion Textile Co., series A, B, C and D, due March 1, 1925, a total of $7,390,000.

In addition the bond issue will include $6,000,000 for the new St. Lambert mill.

The requirements then are as follows:

What Money is For

Cash to Can. Cottons	$ 875,000
Bonds to Can. Cottons	1,500,000
Maturing bonds:	
Montreal Cotton Mills	422,500
Dominion Cotton Mills	*3,700,000
Dominion Textile Co.	*3,267,500
St. Lambert Mill	6,000,000
Total	$15,765,000

*Before these mature the total outstanding will be considerably reduced.

Capital Will be Increased

It is not intended to expend the whole $6,000,000 immediately, but it is the portion to be provided by bond issues out of a total amount, which will run, it is understood, to $10,000,000 mainly for this mill, that the company expects to spend for extensions and improvements in the next few years. An arrangement will be made by which not more than 70 or 75 per cent. of the actual amount spent in construction or renewals will be paid for out of the bond issue. This suggests that there will be an increase in the capital stock of the company from its present $2,500,000, probably to as much as $5,000,000, but this will not be done for a year or two, it is believed.

Doubling Present 10,000 Looms

The new mill at St. Lambert will be by far the largest mill of the company or of any other, and hence the largest textile mill in Canada. It is probable that it will be built to a capacity of 10,000 looms, which is about the total present capacity of the Dominion Textile Company. The units probably as they will be installed, will be of 2,500 looms each, and 5,000 more employees.

While the total number of employees of the Dominion Textile Company is now about 6,000, it is not expected that the 10,000 looms of the new mill will require that number, possibly from 4,000 to 5,000, because there will be a large amount of automatic equipment which will secure larger production with a smaller number of employees.

The bonds will mature in thirty years and bear 6 per cent. interest, and will probably be issued very close to par. It is understood that arrangements have already been made for their underwriting by two prominent bond houses of Montreal, and this list may be extended to a larger syndicate. It is expected that the issue will be announced about the first of September, that is, immediately after the special meeting of shareholders

Continued on page 8.

NEW INDUSTRIAL OFFERING

Stock of New Woollen Mill Merger to be Floated Tuesday

On Tuesday next a public offering of the preferred stock of the new Canadian Woollen Mills, Limited, which represents a merger of the Standard Woollen Mills, Toronto; the Auburn Mills, Peterboro, and the Bonner-Worth Co., Peterboro, will be made by Ferguson & Ormsby, Canada Bond Corporation and Hanson Bros., who have arranged the financing of the company. The capitalization is $3,500,000, of which half will be redeemable cumulative preferred stock and half common stock. The preferred will be offered at par with a 25 per cent. bonus of common. There is to be a sinking fund at 2 per cent. to retire the issue in 1941. There are no bonds. The directors are as follows:—F. B. Hayes, Toronto Carpet Mfg. Co., president and general manager; A. O. Dawson, manager Canadian Cottons, Limited, vice-president; F. R. Sweeny, president and manager Zimmerman Knitting Co.; G. D. Perry, general manager G.N.W. Telegraph Co.; W. K. George, president, Canada Bond Corporation; Isaac Bonner, general manager Penmans, Limited; J. B. Ferguson, of Ferguson & Ormsby.

ATTITUDE TOWARDS GERMAN GOODS

With Resumption of Trade With Germany Question Comes to the Fore Again

It is generally understood that there is an order-in-council prepared, and probably passed, though not yet published, which enables trading with Germany to be renewed as soon as peace is proclaimed. It is known that Great Britain and the United States stand ready to assume relations as soon as the treaty is in force. In view of this condition there is a good deal of interest among merchants and travellers as well, as to what the attitude will be towards German goods when they again come on the market. Opinion seems greatly divided.

"As far as our firm is concerned," said the buyer for a large Toronto firm, "I am satisfied that we will make no effort at all to buy German products. Even taking into consideration the fact that we realize fully that if Germany is to pay the billions she owes she must sell her goods, we do not want any of them. I do not know what attitude the public will take but it seems to me that anyone who has lost anyone over there will not knowingly buy German made goods."

Price Will Count

"Price will count a whole lot with the great mass of people," said another dealer. "If German firms can produce goods that are of fair quality and are cheaper than those made by others it will not be long before they will find markets. Before the war we handled a lot of German goods and we found them to be of good quality. I think that it will only be a matter of a very short time before the sentiment that exists against German goods now will be forgotten largely. In one way I think German competition would be a splendid thing in that it will help to bring down prices, and that is something that has got to come about in some way or another sooner or later. Things cannot keep on going up the way they have been. The whole system so far has been a circle, one thing hitting the other, and prices going up all around. It has got to end some time and if German goods check this tendency, which I believe is bad for business generally, it will be a good thing."

Should be Careful

Another merchant gave it as his opinion that German goods should not be allowed into Canadian markets until Canadian manufacturers are in good shape to meet the competition. He referred also to the high prices now prevailing, and declared that they are injuring trade and especially export business. "Many Canadian firms cannot sell outside of Canada now," he said, "because production costs are so high here now that the manufacturers cannot produce goods on an equal footing with those in other countries, let alone meet their prices and also pay freight rates."

Another factor in the situation, he pointed out, is the change in shipping conditions. Before the war German goods were brought to this country in German boats. Now Germany will have few if any ships

A $4,000,000 CROP OF FALL WHEAT BEING HARVESTED

The Ontario Farmer Will Be in a Strong Position

WEST OUTLOOK GOOD

Cattle Going to Market Fast—Hogs and Horses Firm—Late Crops Short in Straw

Crop failures always take up more of public attention at this time of the year than do the crop totals, and doubtless the outlook for a big year on our Canadian farms has been too much darkened by rumor. Undoubtedly Southern Alberta and parts of Saskatchewan are in a bad way, but taking the country as a whole there will be a big bunch of money change hands this year, when the threshing machine and the feed lots tell their stories.

In Ontario and the East generally, where total failures are unknown, there is now being harvested a fine crop of fall wheat. The Statistics Branch puts the crop at 102 as compared with 71 last year. The total acreage in Canada is about 800,000 acres. With an average of 25 bushels and a price likely to stay around the $2 figure, we have a $4,000,000 crop. Besides Winter wheat Ontario will harvest a good crop of Spring wheat and peas. True, the late sown crops are being burnt up and the grain is heading out with a short straw, yet the quality is likely to be good. The hay crop has been a good one. Corn is coming on well, so that the feed outlook is bright enough to put the Eastern farmer in a mighty good position this Fall and Winter. Roots, late cuttings of clover and barley, are the hardest hit by the dry weather. Altogether the year's returns will give to Eastern farmers enough to ensure him from worry over the immediate future. The labor situation has been light. The greatest difficulty, especially near the Great Lakes, has been experienced by farmers in securing day labor, but apparently with the harvest things are looking up in this regard. Flax growers are bringing many townpeople out to the country points for pulling flax.

Livestock forms still a big part of

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E. C. PRATT, General Manager

WILL CONTINUE NEGOTIATIONS, SAYS SMITHERS

Chairman of Grand Trunk Reviews the Whole Situation

MEETING IN LONDON

Shareholders Assent to Resolution Empowering Directors to Create and Issue New Debenture Stock

LONDON.—Grand Trunk Railway affairs and the relations between the company and the Government of Canada were thoroughly reviewed at a special general meeting of the company held here on June 30. The purpose of the meeting was to submit for the assent and acceptance of the proprietors, the Grand Trunk Act, 1919, together with a resolution authorizing the directors to create and issue the perpetual 4 per cent. consolidated debenture stock under the powers conferred by the act.

After explaining the object of the meeting, the chairman, Alfred W. Smithers, said:

"As the Government have not yet made any proposition to us beyond their original and only offer, it is necessary for the company to carry on its business in the meantime and perform its duties to the public, and the powers given under this Act are to enable us to carry out necessary financing. This is an Act which I told you at our special meeting on March 21 was held up by the Parliamentary Committee in Canada. The holding up of the Act was naturally an aggravation of our difficulties, and I expressed the great regret of the board that such action should have been taken.

"I am glad to say, as the result of that special meeting, at which, you will remember, a resolution was passed conveying to the Government that, while the original and only offer made by the Government was insufficient to effect a friendly settlement, the proprietors desired the board to convey to the Government their wish for a friendly settlement. The resolution of the meeting was conveyed to the then Acting Premier, Sir W. T. White, by our president in Canada, Mr. Kelley, and Sir W. T. White promised that the bill should proceed, and it is that bill to which we ask your assent to-day."

Deplored Delays

Mr. Smithers complained of the delays which had taken place in the negotiations between the Government and company and added, "We are in our present position to-day from circumstances entirely beyond our control—namely, enormously increased expenses arising from high wages and increased cost of material, and not being allowed sufficient increase of rates to meet the increased expenditure." Proceeding he said:—

"The Government know we wish to make a friendly settlement; the Government have declared in Parliament they do not wish to deal harshly with us. In January, 1918, the Government asked the board to name the amount we would be prepared to recommend the shareholders to take for their property as an annual payment beyond the fixed charges. We did so. The Government did not accept our offer, and made a counter-offer in March, 1918. Ever since that time we have been negotiating; we have continually reduced our terms in order to do our utmost to come to a friendly agreement.

"The Government have not altered their terms, and it is impossible on their terms to come to a friendly agreement, as their acceptance would mean, as I have pointed out on several occasions, the confiscation of a considerable portion of the shareholders' property. The difference now between us, although vital to the attainment of a friendly settlement, is comparatively a small thing for Canada. We are not asking for any consideration for future value, we are not asking for any consideration for any stock only represented by paper; we are only asking for fair consideration for actual money actually put into the undertaking."

No Interference

A suggestion having been made by a shareholder that the Imperial Parliament should be asked to interfere, Mr. Smithers replied:—

"With regard to Mr. Woodward's suggestion as to asking the Imperial Parliament to interfere in this matter, well, I will not go so far as to say that under no circumstances could that be done, but I will go so far as to say that it would be a most delicate matter, and might, except under very special circumstances which have not yet arisen, do considerable harm. The Canadian people and the Canadian Parliament are very jealous of their independence, and I think the Imperial Parliament would at once decline to interfere. If they did interfere, it would only be under quite extraordinary circumstances which have not yet arisen. As to Mr. Woodward's opinion that it is the desire of the Government of Canada to get our property at a bankrupt price, well, I am bound to say that the delay which has gone on for such a long time is some excuse for people to hold that opinion; however, I cannot but believe that a nation which has behaved to the Mother Country as Canada has during the war must have been filled with high ideals and noble ideals, and therefore, until it is proved I refuse for one to believe that the Canadian Government could entertain such an unmentionable design. I hope we shall not believe it until it is driven into us by hard facts, which we hope will not arise."

Canadian Representation

Reference was also made to the efforts that had been put forth to secure Canadian representation on the Board.

"The difficulty has been," said Mr. Smithers, "that our capital has all been found in Great Britain, and it has not been possible for us to find men of position in Canada with sufficient interest in the Grand Trunk Railway and sufficiently greater than all their other interests, to take care of our interests in the same way that the Canadian Pacific and the Canadian Northern directors take care of their interests. We did not create this English board; we succeeded to this English board here, and, to the best of our ability, we carried on through years of terrible anxieties in order to uphold your rights. I have not known what it is to have an easy day or an easy night for the last five years through thinking of all your anxieties and your troubles. My back has been to the wall, with the board, doing all we possibly could, and I say that for us at the present time to get anyone on the Canadian board from Canada, or during the last ten years, in order to strengthen our position, has been impossible, and it is impossible to-day. It cannot be done. We will hope a strong, a straight British deal, backed up by straight British actions, will enable us to come out right. I shall cling to that belief to the last, and I only hope that we shall be successful."

No Issue At Present

Mr. Smithers concluded by saying that it was not the intention to make an issue of debentures at the present time. The power to increase the company's finances, however, would strengthen them and make them stronger to negotiate with the Government.

"We shall not spend one penny of this money that is not absolutely necessary to keep the position strong," declared the chairman; "we are not going to enter into any new arrangement or adopt any new ideas. We are going to keep ourselves as strong as we can in order to continue negotiations with the Canadian Government."

COMPANY TAXES IN NOVA SCOTIA

Taxes Which Loan and Trust Cos., Banks and Insurance Cos. Now Pay

By Special Representative

HALIFAX.—Under the supplementary Revenue Act, passed at the last session of the Nova Scotia legislature, a tax was placed not only on the capital of loan companies, but also on the amounts borrowed by such companies and invested by them. This is considered a hardship by the loan men for other financial concerns are exempt in this respect. They must pay on their income, however, which the loan companies appear to be exempt from doing. The clause referring to loan companies is as follows:

Every loan company which transacts business within Nova Scotia shall pay a tax the amount of which is one-quarter of one per cent. of the amount of money invested by such loan company in Nova Scotia up to two hundred thousand dollars; and one-eighth of one per cent. of the amount of money invested by such loan company in Nova Scotia in excess of two hundred thousand dollars; provided that if such tax would amount to a sum less than one hundred dollars, a minimum tax of one hundred dollars shall be paid.

The tax on trust companies is set forth in the paragraph that follows:—

Every trust company which transacts business within Nova Scotia and has a gross annual income thereon in excess of fifteen thousand dollars shall pay a tax the amount of which is one-quarter of one per cent. of the paid up capital thereof up to $100,000 and one-tenth of one per cent. of every additional $100,000 or fraction thereof of paid up capital, and in addition thereto a tax the amount of which is one per cent. of the gross annual income of the company on business transacted within Nova Scotia; provided that every trust company which transacts business within Nova Scotia shall pay a minimum tax of one hundred dollars.

The act provides that every bank doing business in Nova Scotia and which has a branch in Halifax, with a capital of $500,000 or over, shall pay a tax of $2,000, and every additional branch in Halifax shall pay a tax of $50 each. Every bank having a branch elsewhere than in Halifax in this Province shall pay a tax of $1,000, and an additional tax of $200 on each bank up to ten in number. Banks having a capital of less than $500,000 shall pay a tax of $500.

For insurance companies the tax that shall be paid is set forth as follows:

Every insurance company shall pay on or before the first day of June, A.D. 1919, a tax of one and three-quarters per cent. and thereafter annually a tax of two per cent. calculated on the gross premiums received by the company in respect of business transacted in Nova Scotia, provided, however, that if such tax would amount to a sum less than one hundred dollars, a minimum tax of one hundred dollars shall be paid.

In the case of reinsurance by an insurance company, the company reinsured shall be exempt from the tax imposed on the portion of the premium paid to the reinsuring company, but the reinsuring company shall be liable for the tax in respect thereof as part of its gross premiums.

MAPLE LEAF MILLING

The Maple Leaf Milling Company is continuing its operations despite the growing scarcity of wheat, and there is no present indication of any closing of the mills. This company has apparently stocks of grain available to run them for some time, and so will close the year satisfactorily. There is a strong confidence in the stock, evidently in the belief that there will be further bonuses forthcoming. During the week it made a new high record, selling up to 178½ with a range for the week of 171½ to 178½.

BUILDING GETS ANOTHER GOOD BOOST IN JUNE

Permits Issued During the Month in Canadian Cities Were Large

GAIN OVER $3,000,000

So Far This Year Figures Run Over Eight Million Dollars In Excess of Year Ago

With permits issued for the month of June by twenty-three Eastern and fourteen Western cities aggregating $5,959,239, the improvement in the building outlook indicated by the returns for earlier months of the year has been confirmed. The same cities in June 1918 issued permits to the value of $3,461,939, which means a gain for the current year of over three million dollars. Further, reviewing the half-year period, it is to be noted with satisfaction that there has been an increase from $15,984,762 to $26,118,911 or better than 50 per cent. Of course these figures are still far behind the figures of the boom years, but the matter for gratification is that there has been such a good increase and that it is continuing from month to month.

Toronto Again Leads

Once again the City of Toronto assumes the leadership. Its June total was $1,379,087 and it is the only city where the value of the permits exceeded the million dollar mark. In point of size, Ottawa came second with a value of $856,205 and Montreal third with $731,417. Other cities making a fairly good showing were Halifax with $224,290; Hamilton, $266,830; Windsor, $279,175; Calgary $381,000 and Edmonton $306,285.

So far as gains are concerned, the most notable was recorded by Ottawa where there was an improvement over 1918 of $753,705. Montreal did better by $434,057; Toronto by $373,023; Windsor by $237,994; Calgary by $247,400 and Edmonton by $249,110. In all of the 37 cities, 28 made gains. The poorest showing was made by Winnipeg, where of course the strike put a complete stop to operations. Permits were issued for only $22,900, which represented a drop of $409,500 over June 1918. All the other declines were comparatively small.

Half-Year Figures

For the six months there are now six cities in the millionaire class. Toronto with $6,363,037 has a million a month to its credit. Montreal reports $2,887,424; Halifax, $1,635,536; Hamilton, $1,661,710; Ottawa, $1,657,442 and Calgary, $1,456,900. Again 28 cities made gains. Toronto led with $2,649,022; Ottawa had $1,259,566; Montreal, $848,059; Halifax, $665,344 and Calgary, $643,100.

Some Large Permits

In Edmonton's total of $306,285, the largest permit was issued on account of a tank for Swift's packing plant, this being valued at $41,000. A $35,000 permit was issued for the Oblate Theological Seminary and $12,000 permits for warehouses for the Massey-Harris Co. and John I. Case Machinery Co.

In Lethbridge a $20,000 permit was granted for a garage for the Baalim Motor Co. Regina issued a $30,000 permit for an addition to grand stand. Saskatoon issued four $20,000 permits for additions to C. P. R. station and Barries Limited store and buildings for Riddell Carriage Works and P. H. Green's drug store.

A $30,000 permit was issued in London for an addition to the factory of the Murray Shoe Co. and in Welland a $44,000 permit for new fire hall.

LUMBER PRICES RAISE FARM VALUES

Farms With Standing Timber in New Brunswick Are Rapidly Increasing in Value

Farm properties along the St. John River in the counties of York and Carleton are declared to have been considerably enhanced in value by reason of the high prices now being paid for lumber. To quote the Fredericton Daily Mail:

The man who is fortunate enough nowadays to have attached to his farm a wood lot containing a million feet or so of standing timber is envied by the man who allowed his farm to be stripped of logs fifteen or twenty years ago when the price was much lower than it is to-day. While quite a number of farmers living along the river have disposed of their standing timber within the past year or two at a price greater than that which they would have at one time readily accepted for the entire farm, there are others who seem to be in no hurry to sell. They reason that the land costs them nothing apart from the taxes which they pay on it and that every year adds to its value.

Some Instances

One man living in Kingsclear is said to estimate that he has two million feet of standing timber on his farm in addition to a large quantity of pulp wood and thousands of cords of hardwood suitable for fuel. He has received several tempting offers for the lumber, but is in no hurry to dispose of it. A resident of Douglas estimates that he has a million feet of merchantable logs on his land and he plans to cut it next winter and haul it to the river. A number of other farmers have carefully conserved their lumber lands and stand to make a good thing out of it. A million feet of standing timber on a St. John River farm these days is estimated to be worth anywhere from $12,000 to $15,000.

Made Money at Home

"Strange to say the wealthiest farmers in this section of New Brunswick to-day are those who have carefully conserved their wild lands. The enhanced value of timber lands in New Brunswick makes it quite clear that those who contracted the Western fever a few years ago and invested their surplus cash in so called town lots somewhere on the boundless priirie could have done much better had they invested in farm and wood lands right here at home.

BIG OSHAWA DEAL

General Motors Secure Fifty Acre Tract For Home Sites

By the largest real estate deal ever put through in Oshawa, General Motors of Canada, Limited, have acquired all the land between Mary and Simcoe streets from Hillcroft street north to the northern limits of the town, a tract of over fifty acres. The tract is to be laid out as an attractive sub-division, and will be used to supply home sites for those in the employ of General Motors Corporation. It is an ideal location. Work will be commenced immediately.

Building Permits for the Month of June

Eastern Cities

	June 1919	June 1918		Change	6 mos., 1919	6 mos., 1918		Change
Maritimes—								
Halifax	$ 224,390	$ 200,086	+	$ 24,204	$1,635,536	$ 970,192	+	$ 665,344
St. John	9,800	2,350	+	7,550	90,000	244,725	—	154,725
Sydney	64,230	59,393	+	4,837	313,279	194,290	+	118,989
Quebec—								
Montreal	731,417	297,360	+	434,057	2,887,424	2,039,365	+	848,059
Quebec	177,993	48,300	+	129,693	800,753	387,954	+	312,799
Westmount	111,440	10,366	+	101,074	244,619	85,366	+	159,253
Ontario—								
Brantford	34,630	55,235	—	20,605	433,500	287,060	+	146,440
Chatham	10,575	27,400	—	16,825	49,405	105,855	—	56,450
Guelph	103,744	8,993	+	94,751	342,864	18,098	+	324,766
Hamilton	266,830	273,028	—	6,198	1,661,710	860,155	+	801,555
Kingston	72,700	32,230	+	40,540	339,859	134,704	+	205,155
London	163,615	58,200	+	105,415	548,035	289,875	+	258,160
Ottawa	856,205	102,500	+	753,705	1,657,442	397,876	+	1,259,566
Port Arthur	5,398	6,358	—	960	82,396	563,389	—	480,993
Stratford	28,714	9,760	+	18,954	101,852	47,285	+	54,567
St. Catharines	67,915	61,375	—	3,460	282,619	269,082	+	13,537
St. Thomas	13,670	6,320	+	7,350	122,575	21,915	+	100,660
Toronto	1,379,087	1,006,064	+	373,023	6,363,037	3,714,015	+	2,649,022
Welland	58,950	96,715	—	37,765	195,070	273,439	—	78,369
Windsor	279,175	41,181	+	237,994	764,230	322,590	+	441,640
Woodstock	10,950	9,230	+	1,720	52,578	58,252	—	5,674
Galt	32,975	9,000	+	23,975	133,220	80,553	+	52,667
North Bay	4,100	300	+	3,800	7,553	7,405	+	148
York Township	417,800	......	+	417,800	1,659,250	......	+	1,659,250
Kitchener	145,950	5,040	+	140,910	394,320	66,315	+	328,005
Total 25 East. Cities	$5,262,223	$2,426,684	+	$2,835,539	$21,163,126	$11,539,755	+	$9,623,371

Western Cities

	June 1919	June 1918		Change	6 mos., 1919	6 mos., 1918		Change
Alberta—								
Calgary	$ 381,000	$ 133,600	+	$ 247,400	$1,456,900	$ 813,800	+	$ 643,100
Edmonton	306,285	57,175	+	249,110	435,060	140,230	+	294,830
Lethbridge	26,906	5,720	+	21,186	75,976	85,068	—	9,092
Manitoba—								
Brandon	38,040	8,360	+	29,680	68,587	24,291	+	44,296
St. Boniface	11,920	9,775	+	2,145	48,240	89,650	—	41,410
Winnipeg	22,900	432,400	—	409,500	498,650	1,138,400	—	639,750
Saskatchewan—								
Moose Jaw	37,625	68,675	—	31,050	238,535	336,530	—	97,995
Prince Albert	14,700	170	+	14,530	50,090	5,288	+	44,802
Regina	192,200	73,280	+	118,920	645,960	602,290	+	43,670
Saskatoon	132,225	176,510	—	444,285	399,100	342,610	+	46,490
N. Battleford	490	150	+	340	21,690	5,765	+	15,925
British Columbia—								
New Westminster	8,575	3,750	+	4,825	66,225	30,650	+	35,575
Vancouver	62,921	59,300	+	3,621	741,471	665,855	+	75,616
Victoria	24,979	6,390	+	18,589	209,301	164,580	+	44,721
Total 14 West. Cities	$1,260,766	$1,035,255	+	$ 225,511	$4,955,785	$4,445,007	+	$ 510,778
Gr. Total 39 Cities	$6,522,989	$3,461,939	+	$3,061,050	$26,118,911	$15,984,762	+	$1[illegible],134,149

PLANNING GREAT FOREIGN TRADE ORGANIZATION

Outline of Proposed Scheme to Aid in Reconstruction of Europe

PYRAMIDAL PLAN

On One Side Banks Supported by Investors and on the Other Marketing Organizations Supported by Industries

From the New York "Annalist."

In all the discussion in regard to furthering America's foreign trade, and aiding in the restoration of sound economic conditions in Europe, most stress is being laid upon the necessity for extending large and fairly long-term credits to prospective customers. Europe needs goods, and bankers, such as Mr. Davison of J. P. Morgan & Co., and others who have studied the situation, realize that credits must be assured before the goods can move.

The details of any comprehensive plan have not been worked out yet, but there is available a general outline of what must be done, definite enough, to give an intelligent idea of what leading minds are planning. The whole scheme may be visualized as a pyramid.

At the apex will stand a great corporation, which is to be the chief intermediary in the dealings between the producers of America and the consumers of Europe. Beneath it and supporting it on the one side will be the banks and bankers, in turn supported by investors who must supply the ready money needed. On the other side support will come from the industrial units, probably giving their aid through the medium of foreign trade marketing organizations composed of the individual members of specific industries. The pyramid will be something like this:

Foreign Trade Corporation
Corporations Banks and Bankers
Industrial Units Investors

The part of the banks and bankers and the investors will be very great. If the foreign trade corporation finds it necessary to call upon the investors for several billion dollars, as leading bankers believe it will, there will have to be heroic measures taken to market the corporation's securities, for nobody minimizes the fact of floating an issue this size. To appreciate this one has only to recall the vast amount of effort expended in the several Liberty Loan operations with the strong patriotic sentiment to assist. In a measure the proposed corporation will appeal to the patriotism of investors, as it will mean the maintaining of this country's dominating position in the commercial and industrial world which it has won through the demands and results of the war.

How the Pyramid Would Work

For the corporations and others who have goods to sell it will be somewhat different. Abstractly, there will be patriotism for them, too. But first of all there will be commercial prospects; the making of a market which will serve their own ends. They will be vitally concerned with the scheme's success, for upon it will depend their own individual success.

Regarding the details of corporate, or productive organization, it has already been suggested that the cotton producers and cotton goods producers organize a foreign trade selling corporation. In its most general outline, such a company would include among its shareholders, which is to say the partners in the enterprise, all of the planters and all of the manufacturers in the growing and manufacturing industry. The corporation would be sufficiently ramified to take care of the foreign marketing of both the raw product and the manufactured article. Its management would be in touch with the foreign consumers of both. If the spinners of Poland came into the market for raw cotton, the order, received through the Polish committee, transmitted through the foreign trade corporation at the top of the American pyramid, would find its way down through the Webb cotton corporation and finally into the hands of the planter or commission merchant who had raw cotton to sell.

In the same way orders for cotton manufacturers would be handled through this Webb cotton corporation, and so would orders for steel and for copper, for foodstuffs, and for the many different kinds of machinery, and for all other goods and merchandise which the United States produces and Europe wants to consume. There are many Webb corporations now in existence. The copper producers have a very large one. In the steel trade there is the Consolidated Steel Company, which acts as foreign sales agent for the so-called independent steel manufacturers, while the United States Steel Corporation maintains its own subsidiary company for the same purpose.

It is now being agitated that a similar corporation be organized to handle exports of silver. The United States produces more than half of the world's supply of this white metal, and if in the rehabilitation program it is decided to again monetize silver, an American export company will have a big field.

In discussing his ideas for co-ordinating American industrial productive capacity, Mr. Davison recently laid considerable stress on the desirability "of bringing the American producer into direct-contact with the European consumer, thus restoring absolutely normal trade conditions." Just how this is to be accomplished is not clear, yet it is not difficult to imagine a time when the great American foreign trade corporation will no longer be necessary, and when commercial demands will be even greater than they promise to be over the rehabilitation period. The prime function of the parent company is to act as financial agent and as co-ordinator and distributor of orders. When normal conditions return, and Europe no longer needs the vast credits, the parent company may be dispensed with, and then either the Webb corporations, acting for their several trades, or the units of the trades, without the aid of the Webb corporations, will be in position to carry on the business built up by aid of the elaborate machinery now contemplated.

It is likely that the Webb corporations will be continued, however, for they supply a scientific and economic method of marketing goods in foreign countries. By economies of administration and by their ability to gather and arrange credit data much more efficiently than can the average manufacturing company, as well as by their more favorable position due to the greater number of individual products of each industry which they can handle, they have tremendous advantages.

By the time it will be possible to dispense with the great credit-raising corporation, the Webb corporations should be so well and so solidly established that there will be no question of their being able to carry on the work. The education and experience gained during the rehabilitation period will have been considerable, both for exporters and for the bankers, and should prove sufficient to allow of American participation in the trade and commercial activities of the world as never before was possible.

Scientific Methods

If the rehabilitation demand was to be allowed to develop along lines of self-interest and short-sighted practice, there would be a lot of "cream skimming." Those foreign countries which happen to have credit would obtain the choice allotments of goods. The poor and the new nations would get little, and new markets, and some that have practically ceased to exist, would suffer greatly. But the business is not to be permitted to go that way. The plans for co-ordinating productive and financial effort, on the one side, and for co-ordinating the demand, on the other, is expected to equalize consumption. This will not hurt the good markets, and it will greatly improve the poor ones. Further, it will almost surely create markets where none exists at the moment, for the time being, some producers may not profit as greatly as they would if left to the practice of selling to the best buyer and letting the poor buyer go, but in the long run all will profit more by helping the poorer. Especially is this so when it is considered that the new order of things contemplates putting the poor buyer in credits which will enable him to buy on an equal footing with his more fortunate competitor.

Should Invest Funds

There is another part of the program which should concern the American producer. The scheme for raising credits by marketing the securities of the foreign trade corporation is for his benefit. And as all Americans will be invited to purchase these securities, it would seem that the American producer might well invest some of his funds in this way. For some years, now, there has been a growing demand for high-grade securities from business men who find it beneficial to invest part of their working capital in this manner. The investment gives their funds constant employment at good interest rates, and in times when they need funds in the business the securities would furnish very good collateral for loans at reasonable rates. If the debentures of the new company are to be as good as Mr. Davison and his associates expect to make them, they should be attractive, on a purely commercial basis, to American foreign trade interests.

Resumption of mail service between the United States and Germany, effective immediately, was provided in an order signed late Tuesday by Postmaster-General Burleson.

EARLY DECISION LIKELY ON LANTIC SUGAR ARREARS

Various Suggestions Being Offered as to How to Meet Them

OPPOSED TO FUNDING

Would Likely Result in Early Conversion of Much of the Preferred Stock Into Common Shares

By Resident Representative.

MONTREAL.—One of the most flourishing industries in the whole list at the present time is Atlantic Sugar Refineries. This is a "war" industry, in the sense that it was born during the war, and experienced the double lot of war business on the one hand, and restrictions, that on the other hand prevented it from accepting the full measure of orders that came to it as a result of a vigorous advertising policy. Early this week the price sagged a little as the outcome, THE FINANCIAL POST learned, of a large order to sell that came from England. This included both the common and the preferred, and the attraction for the selling was the rapid advance that both stocks had made in the last few weeks especially, of thirty and fifty points respectively. However, this is looked on as but a temporary eclipse to the upward movement.

So far as can be learned the largest amount Atlantic Sugar manufactured in a single year—not last year, but the one before that—was in the neighborhood of 70,000 tons. The latest information is that the plant is turning out 1,000,000 lbs. a day, which would represent a total for the year, if it were continued, of nearly 150,000 tons. There is not only a big domestic demand, but the export orders have been coming in steadily, and the present outlook is that these will continue for many months. If they do, the profits of the refineries, which showed a doubling up for the past year over 1917-18, will again run far in advance even of the very high mark established in the year just closed.

No decision, THE FINANCIAL POST is informed, has been reached in connection with the method of meeting the arrears on the preferred stock, which amount to about 33%. For some time there were several suggestions, one of which was that as large portion as could would be funded. Latterly an objection has been raised to this which is meeting with support from the directors. It is not generally known that one of the provisions under which the prefered stock was sold was that it was to be convertible for common stock at the will of the holder. When there is no dividend being paid by the common stock, there is no temptation to convert, but with the preferred arrears out of the way, the common, with such high earnings, would not remain long without rising to a pretty high figure, and well within two years good figure as dividend. Indeed, it might be expected to be paying a is not outside the range of probability that well within two years the common would command a price that would make an ordinary preferred stock look quite good. In that case there would be a movement to convert the preferred to common. There is at present $2,500,000 of preferred held, and, if the greater part were converted to common, the gross amount of profits available for common dividends would be that much larger. There is a feeling among some of the board that it would not be advisable to increase the amount of the preferred by "funding" it in place of deferred dividends, as this in time would mean just that much increase in the common stock, when it was converted. Those who hold this view would prefer to start paying the deferred dividends off in cash payments. It is likely that a few weeks more will see some decision in regard to these arrears.

MORE REVENUE NEEDED

Electric Railways of United States Voice Urgent Plea

WASHINGTON.—Electric railways of the country have reached a crisis; they cannot continue operating unless relief, in the shape of additional revenues, is given them, according to statements of street railway representatives laid before the Federal Electric Railway Commission here.

"Prevalent antagonism," was denounced as the greatest wrecker of service by John H. Pardee, president of the American Electric Railway Association. He declared that unless a better understanding is effected between the companies and the public, further deterioration of service is certain.

Pardee asserted the Government "had taken everything and given nothing to the electric railways."

"The Government took control of our labor," he said, "raising wages as much as 100%; it took command of our fuel supply, fixing the price we must pay, and it prescribed the service we must give. But it gave us nothing in the way of increased prices for the product we have to sell.'

Pardee said he was aware that the commission was without power for premptory action, or to go further than to offer recommendations; but after hearing the "case of the street railways" it was argued that the commission should attempt determination of a national policy insofar as a Governmental attitude toward the roads is concerned.

SOME FRANK TALK ON THE TARIFF

A Brantford Manufacturer Thinks Meeting Should be Arranged With Farmers

By Staff Correspondent.

BRANTFORD.—The east and the west are not so far apart on the tariff question as it would sometimes appear. There are reasonable men in both parts of Canada who realize that neither "liveth to itself." In talking to an implement manufacturer in Brantford last week, I got some surprisingly plain talk which it will do both farmers and manufacturers good to hear. John Muir, of Goold, Shapley & Muir, was the speaker.

" 'Rust' and 'rot' are the two biggest customers the implement manufacturer has," he said. "They hit the farmer harder than the tariff. I have in mind a farmer in Brant who has run the same binder on a two-hundred acre farm for fifteen years. His neighbor has 150 acres, and he is running his third binder in that time. One man cleans off all the burnt oil and dirt, and oils the machine all over when he puts it away for the winter. When the next harvest comes he can hitch his team to it and go to work. The other man neglects his. The oil is all hard, the bearing parts are clogged up; and the machine soon goes to pieces.

"The east and west would not be so far apart on the tariff question if there was not so much 'darkening of counsel.' I think the Government should take a hand in the matter and arrange a meeting between farmers and manufacturers at Winnipeg to see if we could not get to underst each others problems. The manufacturers have brought this trouble on themselves by crying for a degree of protection they never should have had.

"Let me remind you of some history. At the time of Confederation there was a general tariff of 12½ per cent. with a deficit in revenue. When McKenzie came into power, he found it 15%, and he raised it to 17½% as a revenue tariff. Tupper said that was the thin end of the wedge of protection. There was still a deficit under the tariff and a motion was introduced to inquire into the advisability of raising it. Mackenzie objected to this. Then Sir John sprang the national policy, and we had the doctrine of protection. Agricultural implements were raised from 17½% to 35%. In 1884 there were 24 establishments making binders in Ontario. Everyone went into the business and killed it.

"I believe in a revenue tariff, and if in producing it the manufacturer incidentally gets protection, all right. It is not right to say to a manufacturer: 'We will protect you.' If we had never had a high protective tariff we should be better off to-day.

"If this suggestion were argued out with the farmers, you would find them reasonable. The sooner we get together the better.

"Why should I be a free trader because I am a Liberal, or a high protectionist because I am a Tory? Am I to be a reasonable man, or to let others do my reasoning? If there are two phrases that stink in the nostrils of the people to-day, they are 'free trade' and 'protection.' There is far too much hap-hazard work about the tariff. Let we give you an illustration from our own industry.

"In 1918 the price of steel in the United States was $3.25, and of pig iron $33.00. The United States put an embargo on them; and the price we had to pay in Canada was $7.25 and $49.16, respectively. Then tractors were put on the free list. The United States put no embargo on them, though it did on the raw materials for making them. We explained the position to the Government but without result, except that Mr. Crerar consoled us by saying it was only for one year, to help production. But he failed to keep his word, and they are on the free list still."

—T. M. F.

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Asst. Manager - N. G. Hart, late of New York Agency.

Banking business with France of every description is solicited through the Branches of the Bank.

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These Questions Affect *YOU* Can You Answer Them?

1. Will the ending of the war help or hurt the price of such stocks as Baldwin, Bethlehem Steel, Midvale, etc.?
2. Are the coppers "peace" stocks or "war" stocks? What class do the automobile stocks come in? The oils?
3. Among the rails, are the standard dividend-payers or the low priced non-dividend payers the thing to buy?
4. As the war draws to its end, what is likely to be the course of interest rates? How will that affect the price of bonds?
5. Which are the best bonds to hold—the high-income producers or the old line investment issues?
6. Are short term notes or long term bonds the better proposition at present?
7. Does the putting into effect of the new tax law mean a general reduction in industrial dividends?
8. Can the stock market rise in the face of the tight money situation?
9. New influences on security prices are beginning to become operative. Do you know how to go about adjusting your investments so that you will be helped and not hurt?

Questions such as the above are intelligently discussed and definitely answered in every issue of *The Investment Weekly*. Can you afford to be without it?

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THE INVESTMENT WEEKLY

42 BROADWAY NEW YORK

Rich Strike at Davidson

Five-foot Section shows an abundance of free gold.

SPECIAL TO F. C. SUTHERLAND & CO., TORONTO.

A rich strike has been made in drift No. 23 at the DAVIDSON GOLD MINES. The entire 5-ft. face of the cross-cut is in ore liberally sprinkled with free gold. The shaft has almost reached the 600-ft. level. Good ore has been encountered all the way down.

Forest fires at one time threatened the plant and caused a slight recession in the market price of Davidson shares. All danger from this source is now past.

We are reliably informed that news of momentous importance to shareholders will be forthcoming almost any day. This should produce a very substantial rise in the price of the shares.

We strongly advise you to anticipate these extremely favorable conditions by purchasing DAVIDSON immediately.

Don't wait to write. Telegraph or telephone at our expense

F. C. SUTHERLAND & CO.

STOCK BROKERS

12 King Street East, Toronto, Ont.
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BALANCE SHEET OF

The Guardian Assurance Co., Limited

on the 31st December, 1918

ASSETS	£	s.	d.
Mortgages on Property within the United Kingdom	1,411,432	14	7
Mortgages on Property out of the United Kingdom	5,050	0	0
Loans on Life Interests	260,937	0	6
Loans on Reversions	104,666	19	3
Loans on the Company's Policies within their surrender values	179,760	5	9
Loans on Stocks and Shares	362,206	10	0
Credit Premiums (limited to 20%)	11,113	10	8
Loans on Personal Security	38,670	10	6
Investments—			
Deposit with the High Court	38,722	14	2
British Government Securities	2,182,703	1	8
Bank of England Stock	4,907	3	0
Municipal and County Securities (United Kingdom)	16,312	11	11
Indian and Colonial Government Securities	322,018	4	3
Indian and Colonial Provincial Securities	38,171	13	4
Indian and Colonial Municipal Securities	133,264	5	8
Foreign Government Securities	320,183	11	7
Foreign Municipal Securities	117,901	16	6
Railway and other Debentures and Debenture Stocks (Home and Foreign)	1,200,714	7	9
Railway and other Preference and Guaranteed Stocks	499,482	5	5
Railway and other Ordinary Stocks and Shares	117,805	0	9
Rent Charges	12,117	5	8
Freehold Ground Rents	57,463	15	7
Leasehold Ground Rents	97,836	2	9
Life Interests	10,460	0	0
Reversions	34,258	10	3
House Property, Freehold and Leasehold	323,910	18	5
Claims due from Reinsuring Companies	238,747	12	5
Balances due from other Funds	15,727	1	7
Profit due from Fire Fund	161,824	17	4
Profit due from Accident, Burglary and General Fund	37,460	10	10
Profit due from Marine Fund	1,750	0	0
Agents' and other Balances	545,066	19	11
Balances due from Reinsuring Companies	80,265	5	0
Outstanding Premiums	23,197	9	1
Outstanding Interest, Dividends and Rents	8,383	12	10
Interest Accrued but not Payable	65,132	17	11
Bills Receivable, Agents' Remittances, etc.	12,250	16	1
Fixed Deposits at Bankers	52,856	5	2
Cash—on Deposit	3,930	13	4
In hand and on Current Account	187,332	7	3
	9,335,997	8	8
LIABILITIES			
Proprietors' Capital Paid Up	1,000,000	0	0
200,000 5% Preference Shares of £4 each fully paid.			
300,000 Ordinary Shares at £3 each 10/- paid.			
Life Assurance Fund	4,319,097	8	0
Fire Insurance Fund	945,447	11	3
Accident, Burglary, etc., Fund	262,358	9	5
Marine Insurance Fund	398,190	8	6
Redemption Insurance Fund	66,450	9	10
Staff Pensions Fund	10,000	0	0
Officials' Fidelity Guarantee Fund	4,160	5	5
Investment Reserve Fund	277,000	0	0
Profit and Loss Account	275,951	9	3
	7,558,656	1	8
Claims admitted or intimated but not paid	454,055	4	6
Annuities due and unpaid	352	11	0
Balances due to Reinsuring Companies	641,742	1	1
Dividends Outstanding	29,919	11	5
Agents' and other Balances	81,524	19	11
Expenses of Management due	35,608	16	6
Interest prepaid	935	14	1
Premiums prepaid	100	13	8
Bills Payable	2,000	0	0
Profit and Loss: Balance due to Proprietors' Fund	201,035	8	2
Balances due to other Funds	15,727	1	7
Purchase of business—			
Suspense Account to meet outstanding Claims	2,968	9	4
Loans from Bankers	252,500	0	0
Suspense Account	31,505	18	0
Special Reinsurance Account	27,364	17	9
	9,335,997	8	8

Note.—In additon to the above, the Company has a liability for uncalled capital on shares in subsidiary Insurance Companies.

We certify:—

1. That after allowance is made of the Investment Reserve Funds of the Life and Westminster Funds, the values of the Stock Exchange Securities are the market prices, or less, on the 31st December, 1918. In our belief the Assets set forth in the Balance Sheets are in the aggregate fully of the value stated therein less the Investment Reserve Funds.
2. That a part of the Assets of the Proprietors', Fire, Accident and Marine Funds has been deposited abroad in connection with Fire, Accident and Employers' Liability and Marine Insurance business in the Colonies and Foreign Countries as security to holders of Policies there issued.
3. That no part of any Fund has been applied, directly or indirectly, for any purpose other than the class of business to which it is applicable.

EVELYN HUBBARD, Chairman.
ALDENHAM, ROBERT L. HUNTER, Directors.
GEO. W. REYNOLDS, General Manager and Secretary.
CANADIAN BRANCH—Montreal. H. M. Lambert, Branch Manager.

STEADY TONE ATTACHES TO STOCK MARKETS

Trading a Little Less Active Towards Close of the Week

BUT PRICES STEADY

Pulp and Paper Stocks Have Been in the Lead and Gains Have Been Recorded in Several

Stock market conditions, both in Montreal and Toronto, have been somewhat quieter this week, though there is still a fair amount of trading and numerous issues continue their upward progress. This has been particularly true of the pulp and paper issues which have noticeably strong and active. The steel stocks, on the other hand, have sold off slightly towards the close. War bonds, after their recent weakness, have firmed up to a moderate extent and are now selling on about a straight 5 per cent. basis. Apart from these, a number of specialty stocks have made their appearance in the trading and have generally been marked up.

The bond market shows a slightly better tone, following the set-back experienced as a result of the flotation of the external loan. But buying is being confined largely to those industrial and kindred loans, on which a higher yield is obtainable, than on either Government or municipal issues. The external loan has been participated in to quite an extent by Canadian investors, some estimating total purchases around twenty millions. In the meantime not much activity is to be expected until the domestic loan is floated in the Fall.

So far as the mining market is concerned, it is just steady and that is about all that can be said for it. Labor conditions are still unsettled and trouble may soon extend into the other camps not already affected. Prices are holding pretty well and there is a quiet absorption of the gold stocks going on all the time. Trading on the standard exchange is light, averaging around 100,000 shares a day.

The N. Y. Market

Brokers' letters from across the line continue to take a generally optimistic view of the situation. Hayden, Stone & Co., Boston, refer to the enormous size of brokers' loans, now estimated at one and a half billion dollars, regarding this as to some extent a danger signal. But, they point out that past standards afford no accurate measure in this particular because the nations wealth has grown so enormously and what might be dangerous before is no longer so. With regard to stocks they say:

"Stocks have had a large advance, and one cannot take the unconditionally bullish standpoint that one could six months ago. We may say, frankly, that the feature that gives us the most concern is not so much the advance in the general market as the one we mentioned last week—the tremendous issue of new securities. Most of these are being taken, not by people who have any real interest in the properties, or intend to stay with them, but are being bought with borrowed money in the anticipation of being able to sell to others at a higher price. Ultimately, this is where disaster is most likely to start.

"As to the standard issues, however, while realizing that these are not as cheap as formerly, there are comparatively few issues that are yet selling at anything like their intrinsic value. Many are not even selling for as much as has been reinvested in the property during the war period. Until this limit has been reached, and brokers' loans have touched a still higher level, we do not believe that stocks can be said to be inflated to the danger point."

Dependence on New York

The dependence of the Canadian markets on the New York market is touched upon by McCuaig Bros. & Co., of Montreal, in their latest letter. This remarks:

"The Canadian security markets have always been to a greater or less extent under the influence of New York, and at the present time our dependence on the leading American market is especially marked. This is partly due to the greater influence of external conditions on our industries than has usually been the case in the past, and partly to the extensive participation of the Canadian public in the New York market In view of this circumstance the future action of the New York market is of especial interest to holders of Canadian securities, and on this account the vital importance of a continuance of the present boom in the United States cannot be overestimated since upon this is largely dependent a continuance or otherwise of activity in industry That the boom cannot continue indefinitely is certain, but should it last for another twelve months, the period of transition from war to a peace basis will be nicely bridged over. As far as is possible to look ahead at the present time, the end of the foreign demand for Canadian and American manufactured products is still a long way off.

"As the security prices have had a consider ble advance, it is good policy to take advantage, if a favorable opportunity is afforded, of selling the more speculative securities at high prices and investing the proceeds in more seasoned issues."

CANADA BREAD

Just what are the probabilities of a further declaration of dividend by the Canada Bread Company, it is difficult to say. The present is always a dull season, but business, according to Mark Bredin, president of the company, has been much better than usual. It is generally conceded, too, that the company's business during the year has been satisfactory. Over against that is the fact that the company has faced several strike difficulties and a bread war of some proportions. Mr. Bredin refused to comment on the effect that these occurrences had had on the company's standing further than to state that everyone knew that these kind of difficulties cost money. The investing public, however, is apparently drawing their own conclusions and these apparently favor the company, upwards of 1,500 shares changing hands during the week at figures ranging from 20½ to 21.

CANADIAN SALT

The appearance this week in the trading of shares of the Canadian Salt Company indicates that the excellent position of this industrial has at last attracted the attention of the market. Canadian Salt has been a consistent dividend payer for many years and has built up a strong reserve. It looks good for a higher dividend almost any time and in fact rumors of an increase from 8 to 10 per cent. per annum are said to be behind the present movement. The stock jumped ten points from 135 to 145 and some shares were dealt in at 147.

RUSSELL MOTOR

Russell Motor shares have not been dealt in for several weeks back, but on Wednesday reappeared in the trading, the common four points up at 87, the preferred steady at 90. It is understood that, through its subsidiary, Machine and Stampings, Limited, the company is getting into shape to manufacture several of the parts required in the new Willys-Overland models. This indicates that the company's interests in future will centre very largely in the automobile industry. As the latter gives promise of profitable development, it may be said that the outlook for Russell is excellent.

DOMINION GLASS

The shares of the Dominion Glass Co. have advanced from 46 to 61 since March. The company is a combination of six plants in Quebec, Ontario, Manitoba and Alberta. The total stock issue is $6,850,000, and of bonds outstanding $1,715,800. McCuaig Bros. & Co. say: "It is stated that the volume of business in the first part of the year has been large, although the margin of profit is not quite as large as last year."

DOMINION STEEL'S PLATE CONTRACT

Various Views Expressed as to Whether the Price is Advantageous or Not

The contract which the Dominion Steel Corporation has concluded with the Dominion Government looks like a fairly good piece of merchandising on the part of the Steel Corporation. While the price named is a concession from the price arrived at during the war, it is quite a distance removed from Pittsburgh prices now. All the despatches from Ottawa refer to 2.70 as the present price of plate. The quoted price is 2.65 right now, while from information reaching the POST from sources in the States that are absolutely substantial, we can state that plate orders for export are taken on at many of the U. S. mills as low as 2.55, and Canadian business is regarded as export. Ottawa reports in the press continue to make the statement that the country, by the alteration of the contract, has saved $2,800,000. This is one way of stating the case, but it is a very poor one. The real way is to state that, using 2.65 as the Pittsburgh price, the Government is paying for its 250,000 tons just five million more than the Pittsburgh price.

The trade does not seem to think that Sydney plate can come in here as a competitive factor. One importer figured that he could lay down the U.S. plate for ship purposes at 2.92½, plus U. S. exchange, while the Sydney product would amount to 4.20 by the time it got this far.

Then the Canadian Steel Corporation at Ojibway is to be reckoned with. Work is not being rushed there but it is being proceeded with in a way that makes it very certain that there is no thought of turning back. There will be four blast furnaces and unless we are very much mistaken there will be a plate mill along with the plant. This would be, not necessarily, for the Canadian market, but for export trade to British Empire points. Some time ago we heard a report to the effect that the Canadian Steel Corporation would put in their plate mill if "there were fourteen other concerns doing the same thing." This was not an official announcement in the usual sense of the word, but it came from a source close enough to the management to be correct.

It looks as though Mr. Workman, in this case, has been able to drive a good bargain for his company in closing for 250,000 tons of plate at $20 per ton over Pittsburgh prices.

STEEL OF CANADA

For almost an entire week sales of Steel of Canada have been made at 74½, and trading has been fairly brisk. Preferred comes many times just to the point of going to the three figures, just now 99 being the halting point. Business is showing an improvement, and apart from that Steel of Canada is in splendid financial position. One of the large furnaces which has been down for some time will be blown in about the 20th of July.

ALLIED PACKERS

The stock of this concern is being offered to the public. It is an international consolidation of a number of big packing houses, including Matthews-Blackwell, Limited, which McCuaig Bros. & Co.'s market letter calls "the largest Canadian packing concern." The output of the new company will exceed one hundred million dollars. It starts business with over fifteen millions of cash and cash assets, and with a surplus of over nine millions. The earnings are at the rate of about twelve per cent. on the stock. The president of the company is John A. Hawkinson, a well-known packer of the United States. Application will be made to list the shares on Canadian exchanges.

We Offer

$25,000

HOWARD SMITH PAPER MILLS

6% Bonds

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Price 95.25 to yield 6½%

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222 St. James St. - Montreal
Mercantile Trust Bldg. Hamilton

Union Insurance Society of Canton LIMITED

(A British Company)

ESTABLISHED 1835

Report of the 46th Annual General Meeting of Shareholders Held May 22nd, 1919.

The Annual General Meeting of the Shareholders of this Society was held May 22nd, 1919. HON S. H. DODWELL occupied the chair. After the reading of the notice convening the meeting, the Chairman addressed the Shareholders. From which address the following extracts are taken:—

Turning to 1918, you will notice that the premium income is greater than that of the previous year, which is satisfactory, especially if you take into consideration the effect of the increased restrictions on exports and imports and the falling of the rates for war risk to a nominal figure upon the cessation of hostilities. A congestion of values in individual steamers continued, and the increased employment of inferior vessels brought new complications, frequently calling for material reductions in our retained lines. The percentage of losses on the first year's working shows a gratifying decrease, and we have no reason to believe that the final outturn will compare unfavorably with the preceding year.

The increase in our premium income during recent years has been due largely to war risk business, the hazardous nature of which has been emphasized to an exceptional degree. You will be able to gain some idea of the magnitude and anxiety of our operations when I tell you that we have paid out in actual cash over twenty million dollars on war risk claims alone.

The figures for fire and other classes of insurance now transacted by the Society are, of course, included, but this branch of our business is in its childhood. Its development is proceeding upon satisfactory lines and your management feel justified in awaiting with confidence its gradual growth to robust maturity.

There are very few places of importance where you will not find a representative of the Society or of its affiliated companies, and the organization we have built up should enable us to take full advantage of the opportunities which will be offering. It does not necessarily follow, however, that a prosperous condition of trade generally will react beneficially on the business of marine insurance. The past few years have seen the formation of many new companies, and we have to be prepared not only for a reduced premium income due to what is practically a cessation of war risk business but for keen competition from new comers and other insurance companies who, although long-established, have lately increased their activities to the marine side of the business. The demand for marine insurance facilities should, nevertheless, be large enough for all to trade in friendly rivalry without having recourse to a wild and senseless scramble for premium at unremunerative rates. Whatever the future may bring, the widespread nature of our business forms a safeguard against isolated disasters, and a continued consolidation of our position enables us to face their possibility with increased equanimity.

You art aware, gentlemen, that the Society compares not unfavorably with the largest institutions of its kind in the world, and it must be a source of pride and satisfaction to you, as it is to us, to feel that this enormous machine has been built up from this small, though all-important outpost of the British Empire and has been controlled from here ever since the Island became a British possession. The success of that control is, I think, well illustrated by the figures which have periodically come before you.

Balance Sheet, 31st December, 1918

To Capital Authorized and Subscribed ...$3,369,787		
" Capital paid up		$ 1,347,917
" Reserve Fund:—		
Silver		2,527,344
Sterling		975,000
" Building Reserve Fund		100,000
" Reinsurance Fund		5,636,869
" Underwriting Suspense Account		657,85[illegible]
" Exchange Fluctuation Account		513,820
" Investment Fluctuation Account		1,213,994
" Working Account, 1917, Balance		2,793,259
" Working Account, 1918, Balance		5,256,220
" Sundry Creditors		3,153,145
		$24,175,425

By Cash with Bankers on Current and Deposit Accounts:—		
Silver		$ 2,230,368
Gold	$ 3,397,365	3,397,365
" Investments in Silver Securities		6,569,734
" Investments in Gold Securities:—		
British	5,443,011)	
Foreign	1,827,405)	7,270,416
" Sundry Debtors, including Branch and Agency Balances:		
Silver		1,142,523
Gold	2,774,309	2,774,309
	$13,442,090	
" Mortgages—Silver		555,764
" Leasehold Property		234,946
		$24,175,425

$5.00 is taken as the equivalent of £1 sterling.

Head Office for Canada

36 TORONTO STREET - - TORNOTO

Manager for Canada - - - C. R. DRAYTON

Western Canada Branch Office, 309-313 Yorshire Building, Vancouver, B.C.

CROP PROSPECTS FAIR FOR CANNERS SO FAR THIS YEAR

Still Some Time Before General Results Will Be Known

DR. JACKMAN'S REPORT

Investigator Adopts Very Fair Attitude Towards Dominion Canners in His Report to Committee

It is early as yet for any definite information regarding this year's prospects. The better part of the canning season is yet to come, and on its success will depend the success of the crop. The pack of peas and strawberries, the only lines on which an estimate can be given, are somewhat disappointing. Peas will only run about a 30 per cent. pack. On the other hand, tomatoes, that had a very unfortunate start owing to persistent rains, have advanced rapidly owing to the hot weather of May and June, and have practically overcome the disadvantage of a late start. Corn conditions are also somewhat better than seemed probable some time ago, though, of course, it is impossible at this early date to forecast conditions at the packing season. All that can be said is that early crop prospects promise fairly well.

In the small fruits, strawberries are all packed and at hitherto unheard of contract prices, and raspberries are packing at present at scarcely lowered figures. Despite this fact, however, there is no question whatever that they will be readily marketable. A world shortage of small fruits precludes the possibility of other markets underselling. In the British Empire small fruits have been at unprecedented figures, and sugar has been none too plentiful. The result is that far from being an exporting country, England will again be a heavy buyer of canned fruits. There was a demand there last year for all stocks available, and it is confidently believed that the same market will be open this year.

In regard to the vegetable pack and the pack of larger fruits, granting a normal pack there will be no difficulty in handling it in this country, while here again an export market is available. Producers have been bare of stocks for some months past, and wholesalers who are not absolutely bare of stock are running very short, so that the retailer must depend on his own supplies. With some time to run before many of these lines will be available the new pack will come on a market barer of supplies than it has been for many a year past, and this should assure very favorable market conditions that should place the company in a very satisfactory position.

Took Fair Attitude

Dr. W. T. Jackman, of the University of Toronto, who investigated the operations of the Dominion Canners and other allied industries at the instance of the Dominion Statistics Department, contended in his report to the Minister of Labor, that, while the operations of the company had been profitable during the past few years, these operations must, because of their uncertain nature, be judged over a period of years, and not on the showing of any one season. The years 1913, 1914 and 1915 were very lean years for the company. The pack was exceptionally light and consequently costly, and the difficulty of getting freight space prevented the company seeking more profitable markets. While Dr. Jackman stated that while the Dominion Canners controlled about 80 per cent. of the pack, there was nothing predatory in their attitude. They endeavored only to make a fair return on an exceedingly speculative industry.

RIORDON'S RISE

Based on the Belief That Dividend Will be Increased

Renewed buying of Riordon on Wednesday and Thursday drove up the price to a new high of 145 this week. Much higher figures are heard in current gossip as the limit for the stock, 160 being quoted as a fair possibility. The rise was on the eve of a meeting of shareholders on Thursday afternoon, at which it is understood there was under discussion the payment of a bonus of 2 per cent. in addition to the regular dividend of 2½ per cent. for the quarter. This, it is said, will be announced at the next quarterly meeting, which would mean 12 per cent. for the year.

An interesting explanation that was given to THE FINANCIAL POST from one in close touch with the company's affairs was that this bonus represented the earnings of the Riordon Sales Company, an organization that takes care of the U. S. sales of the company, which cover practically all its business on this continent. This company is credited with large profits on exchange alone, as contracts are, in the main, payable in New York, and 3 per cent. additional is added for conversion. Then there is the question of a large dividend from the Ticonderoga Pulp and Paper Company, which has been earning in profits in a year more than the whole of the capital of the company, and is owned by the Riordon Company. The directors will go down to New York for Monday, and it is understood on that date that there will be a declaration of a large dividend by Ticonderoga.

STEEL-SCOTIA MERGER PROCEEDINGS OFF

Scotia Steel Will Go Ahead on its Own Account With Certain Extensions

It is hardly necessary for either Scotia or Dominion Steel to make much of an announcement concerning the dropping of arrangements for a merger, because no official admission has been made that such a thing was contemplated. It is known, however, that the matter has been pretty thoroughly discussed, and some of the officials of both companies were in an American city at the same time.

THE POST learns from sources that are quite close to Scotia officialdom that there is nothing in the amalgamation proceedings for the present at least. It may have been the margin that existed in the market price of the two securities, or it may have been that other points could not be cleared up. The fact remains that Scotia is going ahead on its own basis with certain extensions. It is somewhat handicapped in trying to win back the coal trade of the St. Lawrence by reason of the shortage of shipping, and the failure of expected relief in this direction.

MILLING SEASON PRACTICALLY OVER

Requisitioning Wheat For Greece Pretty Well Cleans Up the Supply

With the requisitioning of some three million bushels of wheat for Greek account the Canadian milling season comes practically to a close, for while the mills are still operating, and in some instances may continue to do so for some time to come, this amount removes a very large proportion of the grain yet remaining in the country. That is over and done with now, and the mills are preparng to make the best of it, to run as long as they can, and to hope that Winter wheat will be available in milling quantities before the mills have been too long idle.

The important question at the moment is the fixing of a minimum wheat price for the coming crop. This matter is under consideration at the present time, and as yet no decision has been reached. It is probable, however, with wheat already cut in parts of Ontario, that the question will be settled very shortly. While, of course, there can be no definite figure stated in advance of the official announcement, prominent milling officials believe that the minimum will be set around $1.75. The setting of a minimum price is undertaken to give the necessary stability to the financing of the crop without the onerous financial difficulties incident to a set price at the present time.

With the United States maintaining a set price of $2.26 there is little likelihood that they will open the market to outside grain, for despite the world scarcity of food, that price represents pretty well a maximum. This means that Canada will have to pretty well look after her own crop. In the past the financing of the crop has been a serious factor under a set price, of course, that did not represent a speculative transaction, but it was feared that with an open market, it might be somewhat difficult to obtain the necessary finances to handle the crop. With a minimum set anywhere about the figure suggested above, however, there should be no difficulty in this regard.

FOUNDRIES AND FORGINGS

Canada Foundries & Forgings has during the past few days touched a high mark for the year in 208, the nearest approach being 200 in February. In fact, that is the best price since 1916. The activity is said to be due to preparations for reorganization and the expectation that shareholders of the old company will receive four or five shares of new stock for each one of old.

In this connection there is a possibility of other plans being carried through, and an offer may come to all the shareholders of the common stock to sell out at a fixed price, and that this basis has already been tentatively accepted by a number of insiders, who are the largest holders of the securities.

This offer, it is said, will run in the neighborhood of $300 per share.

A couple of years ago a reorganization plan was informally discussed, and at that time it was thought it would likely be worked out on a basis of three shares of new stock to every one of old, and it was figured that this would give a present value of the stock of $240 a share, on the basis that the new stock, when issued, would sell around $80, with a dividend of six or seven per cent.

CHANGES DURING THE WEEK

	Last July 10	Sales July 16	Ch'ge.
Ames-Holden, com.	49½	53	+ 3½
Do., pref.	96	100½	+ 4½
B. C. Fish, com.	55¼	60	+ 4¾
Can. Converters, com.	58½	60	+ 1½
Can. Cottons, com.	83	94¼	+ 7¼
Can. Foundries	204	200	— 4
Can. Locomotive, com.	82	85	+ 3
Can. Salt	135	145	+10
Dom. Bridge	107	105½	— 1½
Dom. Textile, com.	117	124½	+ 7½
Goodwins, pref.	*60	69	+ 9
Inter. Petroleum	*31.00	30.25	— 75
Lake of Woods, com.	178	185	+ 7
Macdonald A.	35	32½	— 2½
Maple Leaf, com.	172½	177⅞	+ 5⅜
Do., pref.	105	106	+ 1
N. S. Steel, com.	87	90½	+ 3½
Russell Motor, com.	83	85	+ 2
Saw.-Massey, pref.	60	62¼	+ 2¼
St. Law. Flour, com.	109¾	112½	+ 2¾
Tooke Bros., com.	45	48	+ 3
Tuckett Tob., com.	45	41¼	— 3¾
Wabasso	85	90¼	+ 5¼
Nat. Breweries, com.	183½	179	— 4½
Dom. Glass, pref.	92	99	+ 7
Brazilian	59½	59	— ½
Can. Pacific	160½	175	+14½
Toronto Ry.	50½	47	— 3½
Mackay, com.	78½	80	+ 1½
Montreal L. & P. Cons.	92½	91¾	— ¾
Montreal Teleg.	120	125	+ 5
Abitibi Pulp, com.	80	82	+ 2
Brompton Pulp	65	63¼	— 1¾
Laurentide Paper	222	220	— 2
Riordon Pulp, com.	142½	145	+ 2½
Spanish River, com.	45¾	43	— 2¾
Wayagamack	52¾	53¼	+ ½

*Last previous sale.

5½%

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National Trust Company Limited

Capital Paid-up - $1,500,000
Reserve - - - $1,600,000

18-22 King East, Toronto

Stock Movements of the Week

Week ending July 17, 1919.

	Ask	Bid	High	Low	Close	Sales	Yield to July 10
Banks—							
Commerce	205	204	205	203	204	146	5.88
Dominion	205	204	205	204	205	60	5.85
Hamilton	184	183⅞	184	183½	183½	291	6.52
Hochelaga	157	156	158	157	157	69	5.69
Imperial	197	...	200	196½	196½	54	6.00
Merchants	200	...	202	202	202	61	5.52
Molsons	194	...	194	193	193	29	6.15
Montreal	217	...	217½	216	217	89	5.52
Nova Scotia	...	275	276	275	275	23	5.79
Royal	...	...	216½	215½	215¾	92	5.55
Standard	...	218	217	217	217	9	6.01
Toronto	199½	198½	199½	199½	199½	10	6.00
Transportation—							
Barcelona	10	9¾	10	9¾	10	215	...
Brazilian	58⅜	58	60⅝	58¼	58⅜	4264	...
Can. Steam., com.	57½	51	52	50½	51½	1017	8.00
Do., pref.	83½	82¾	84	82¾	83	2077	8.33
Can. Pacific Rly.	...	...	175	175	175	3	5.98
Detroit United	107	106¾	106¾	105½	106¾	826	7.54
Quebec Rly.	20	19½	20¾	19¼	19¾	1305	...
Toronto Rly.	49	47	48	47	47	227	...
Twin City	54	50	52	52	52	10	7.54
Telegraph, Light and Power—							
Bell Telephone	119½	118½	119¼	118½	119¼	165	6.72
Consumers' Gas	...	151	151½	151½	151½	55	6.62
Mackay, com.	80	79	80	78¼	80	165	7.67
Do., pref.	66¾	66	66¾	66½	66½	25	6.06
Mont. L., H. & P.	92½	92	93	91¾	91¾	1856	4.49
Shawinigan	122	121½	123¼	121½	121½	886	5.78
Industrials—							
Abitibi P. & P., c.	86	82	82½	82	82	75	8.75
Amer. Cyan., com.	45	43	45	45	45	50	....
Ames-Holden, com.	53½	52½	54	50	53	3535	....
Do., pref.	100½	99½	101¼	95	100¼	7426	7.21
B.C. Fish., com.	60½	59¾	61¾	55½	60	5890	9.43
Bromp. P. & P., c.	64	68½	65⅛	63¼	63¼	1797	7.69
F. N. Burt, com.	...	91	95½	95½	95½	2	8.51
Do., pref.	96½	94½	95½	95½	95½	9	7.36
Canada Bread, com.	21½	21	21½	20½	21¼	810	....
Do., pref.	82	...	80	80	80	10	8.64
Can. Cement, com.	69¼	68¾	70¼	68½	68⅞	1109	8.57
Do., pref.	...	100	101¾	100	100	275	6.93
Canadian Car, com.	42½	41½	44	51	42	1626	...
Do., pref.	...	...	100	98	99¾	1056	7.00
Can. Converters	58¾	58½	60	58½	60	462	8.47
Can. Cottons, com.	87½	85½	90¼	84	90¼	1320	7.22
Do., pref.	85	...	85	85	85	215	7.05
Can. Fdrs. & F., c.	202	196	201¼	200	200	189	5.85
Can. Loco., com.	86	83½	85¼	82	85	302	7.22
Do., pref.	...	...	94¼	94¼	94¼	23	7.44
Can. Cons. Rub, p.	...	97	100	100	100	10	7.14
Can. Gen. Elec, com	112	111½	112½	111½	112	303	7.20
Dom. Bridge	106	...	107	105½	105½	101	7.47
Dom. Can., com.	55	54	59	55	55	180	....
Do., pref.	91	...	91	90	90	37	7.69
Dom. Steel Corp.	70	69½	73	68¾	70	23181	8.57
Dom. I. & S., pref.	...	...	99⅛	99	99	32	7.14
Dom. Coal, pref.	...	97¼	97½	97¼	97½	13	7.14
Dom. Textile, com.	119⅞	119¾	125⅞	118	124½	6954	6.83
Do., pref.	106	105½	105	105	105	3	6.66
Goodwins Ltd., prf	...	69	69	69	69	10	11.66
Int. Petroleum	...	...	30.25	30.25	30.25	7	....
Lake of Woods, c.	...	...	185	185	185	10	6.74
Laurentide	222	220	222	220	220	195	5.42
Lyall Con., com.	81	79¾	81½	79½	80½	230	9.87
A. Macdonald, com.	34	32⅞	33	32½	32½	145	....
Maple Leaf Mill., c.	177½	...	178½	171½	177½	691	6.97
Do., pref.	...	...	106	105	105	19	6.66
Mont. Cottons, com	70	...	70	70	70	180	5.79
Do., pref.	...	...	103	103	103	155	6.79
Mon. Knit., pref.	...	90	90	90	90	5	7.77
N. S. Steel, com.	...	...	90½	90	90½	166	6.17
Ogilvie Flour, pref.	109	...	109	109	109	10	6.54
Ont. Steel Prod., c.	34	...	34	33	34	100	....
Penmans, com.	...	94½	95	94	95	40	6.31
Riordon P. & P., c.	...	139	145	138¼	144¼	1792	6.94
Do., pref.	...	98½	99¼	99	99	79	7.69
Wm. A. Rogers, c.	...	50	50⅛	50⅛	50⅛	15	....
Russell Motor, com	...	85	87	85	85	36	8.43
Do., pref.	90	...	90	90	90	30	7.77
Saw.-Massey, com.	22	20	22	21	22	75	....
Do., pref.	60	...	62¼	60	62¼	56	....
Sher.-Williams, p.	100¼	100	100½	100	100	20	7.00
Span. River Pulp, c	43	42½	45¾	42¾	43	6187	....
Do., pref.	108	106½	108	105½	107	2182	....
Steel Co. of Can., c	74	73	74½	72¼	73¾	5301	8.21
Do., pref.	98½	98	99	97¾	99	30	7.14
St. Law. Flour, com	111½	111	112½	111	112½	255	5.54
Tooke Bros., com.	43	...	48	42	48	555	....
Toronto Paper	...	...	75	71⅞	75	35	8.00
Tuckett Tob., com.	...	...	44½	41	41¼	885	....
Wabasso Cotton	...	...	90¼	88	90¼	76	6.97
Wayagamack, com.	52¾	52	54	51	53¼	3940	....
Woods Ffg., pref.	...	...	84¼	83¼	84¼	62	8.04
Asbestos, com.	...	71	72	72	72	185	6.94
Do., pref.	82½	82	84	82	83	158	7.22
Atlantic Sugar, c.	54½	54¼	54½	49	53¾	2984	....
Do., pref.	113	...	113	112½	113	40	....
Can. Salt	145	143½	147	135	145	282	5.92
Cons. Smelters	31½	31	31½	31	31½	2928	....
Dom. Glass, com.	59¾	...	60	59¾	59¾	257	...
Do., pref.	...	...	99	99	99	10	....
Nat. Breweries, c.	181	180	183½	178½	179	850	....
Do., pref.	[illegible]	[illegible]	98½	98	98½	50	....

NEW ISSUE

This issue being over subscribed this appears as a matter of record only

$1,000,000

Ames Holden Tire Company Limited

7%

20-Year 1st Mortgage Sinking Fund Gold Bonds

Guaranteed unconditionally principal and interest by endorsement by Ames Holden McCready Limited

Dated July 1st, 1919 :: Due July 1st, 1939

Principal and half-yearly interest (July 1st and January 1st) payable in gold at the Bank of Montreal Montreal, Toronto, and at the agency of the Bank of Montreal, New York City. Coupon Bonds. Principal may be registered. Denominations: $100, $500 and $1,000. Redeemable as a whole or in part on July 1, 1921, or on any interest date thereafter on three months notice, at 105 and accrued interest. Trustee: The Eastern Trust Company. Subject to Legal Opinion of Davidson, Wainwright and Alexander; Brown, Montgomery and McMichael.

CAPITALIZATION

	Authorized	Issued
Common Stock	$3,000,000	$2,000,000
1st Mortgage 7% Bonds	2,000,000	1,000,000

The following information is summarised from a letter to the undersigned from Mr. T. H. Rieder, the President of the Company:

1. Ames Holden McCready Limited, which guarantees payment of the principal and interest of these bonds, has, after provision for all of its own bonds and debentures, net assets (exclusive of good-will) applicable to the guarantee of, over $3,000,000
(or *three times the amount of this issue*)

2. Average net earnings of Ames Holden McCready Limited, after maintenance, renewals, depreciation and interest on the present outstanding bonds, for the seven years ending April 30th, 1919, amount to $172,000
(or *about 2½ times the bond interest on this issue*)
For three years ending April 30th, 1919 ..... $283,239
(or *four times the bond interest on this issue*)
For the current year ending April 30th, 1919 ..... $323,321
(or *over 4½ times the bond interest on this issue*)

3. Estimated net earnings of the Ames Holden Tire Company:
for the year ending December 31st, 1920 ..... $170,000
for the year ending December 31st, 1921 ..... $300,000
for the year ending December 31st, 1922 ..... $500,000

4. Mr. T. H. Rieder, President of the Company, who has until lately been President of the Canadian Consolidated Rubber Co. Limited, has had over twenty years actual experience in the rubber business, and is regarded as the highest authority in that business in Canada. This insures the most capable and experienced management obtainable.

5. The marketing of the product will be handled by the Ames Holden McCready Limited sales organization, which extends from coast to coast, and is organized to give the new product distribution throughout the Dominion.

6. Sinking Fund commencing July, 1921, provides sufficient funds to retire the whole issue by maturity.

Having sold the greater part of this issue the undersigned offer the unsold balance at the

Price 100 and accrued Interest, yielding 7%
also carrying a 20% bonus of Common Stock.

Full particulars on application.

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Dealers in Canadian Bond Issues
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Central Chambers, Ottawa

Nesbitt, Thomson & Co. Limited
Investment Bankers
222 St. James Street, Montreal
Mercantile Trust Building, Hamilton
1404 C.P.R. Building, Toronto

Thornton Davidson & Co. Limited
Government, Municipal and other Investment Securities
Transportation Building :: Montreal

Orders may be telegraphed or telephoned to any of the above firms.

The above information while not guaranteed has been obtained from sources we believe to be reliable and on which we acted in purchasing these securities.

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MONTREAL TORONTO WINNIPEG

CABINET-MAKING A TOUGH JOB FOR PREMIER BORDEN

Sir Robert Needs More Liberal Ministers, But Material is Scarce

PLENTY OF TORIES

But to Get Enough Liberals to Give Ministry a Fifty-Fifty Complexion is Exceedingly Difficult Task

By Resident Representative.

OTTAWA. — Cabinet-making has temporarily halted, because Sir Robert Borden has retired into the silence. He is trying to figure out how he can make his Cabinet a really representative Union one, including a French-Canadian element, when he has only one man of that race in the Unionist ranks to choose from; and that not a very eminent one. It is this lack of French-Canadian material which has given rise to the constant rumors that Premier Gouin will enter the Cabinet. This is unlikely; although it is known that advances have been made to him.

It must be admitted that the Cabinet needs some new Liberal blood, if it is to have any right to the name "Unionist;" because those Liberals who are now in it are generally considered to be either about to return to the Liberal party before another session of Parliament or are looked on as lost to it forever. In the former class would be put Carvell and Maclean; in the latter, Guthrie, Calder and Rowell.

There are a few eminent French-Canadians not in Parliament who might be looked on as Cabinet possibilities; but they are very few. Probably the most eligible name is that of Sir Hormisdas Laporte, who has been chairman of the War Purchasing Commission, and may be presumed to be friendly to the Government.

Conservatives Numerous

There are any amount of English members in the House who would answer the call, and be glad to do so; but they are all former Conservatives. There has been a fierce competition in the House this session to catch the public eye between Nickle, of Kingston; Stevens of Vancouver; and Nicholson, of Algoma. While Stevens and Nicholson devoted a good deal of their time latterly to the Cost of Living Committee, of which they were the most active members, Nickle remained in the House steadily pouring out speeches on every possible occasion. When occasion seemed to lack, he created it by introducing resolutions and delivering interminable speeches on them, smacking of the midnight oil on the early legal Fathers.

Nickle seemed to have considerable of the future when he entered Parliament, but his weakness appears to be the not uncommon one of not knowing his own mind. This has given him the reputation of being independent, when he is really unstable. He made three distinct twists on the titles abolition question, voting against the measure within a few minutes after sitting down from advocating it in a long and impassioned speech. He has plenty of ability, but more unstability.

Stevens and Nicholson have both worked hard this session; and the interest they have taken in public affairs would seem to justify some reward. Although a strong Conservative, the former seems to be of an independent turn of mind and has had a considerable parliamentary experience. Both he and Nicholson are ready speakers and have a pretty wide knowledge of business affairs.

The fact seems to be that the Government is destined to assume more and more of a Conservative hue, although there is no doubt that this is one of the things which the Premier is fighting hardest against. There is already too much of that reputation attaching to it to suit Sir Robert Borden, who is apparently earnest in his desire to carry on as he began for some time longer.

Cronyn for Finance

To take the place of Sir Thomas White, the Premier could not do much better than at least give serious consideration to Mr. Hume Cronyn, of London, Ontario. He has had a pretty wide financial experience and has impressed the House as a man of very fine calibre. But here again there is the same difficulty—he is a Conservative, and it is Liberal Unionists that the Premier is searching for. It is not unlikely, however, that Mr. Cronyn will rise to Cabinet rank before long.

When Cabinet reconstruction comes, it is likely to be of a wholesale nature. There is unquestionably a lot of "dead wood" in the Cabinet which the Premier is anxious to get rid of, if he is to continue to justify his administration. There will be from six to nine Cabinet positions to be filled before the next session; and to fill them on anything approaching a fifty-fifty basis is about as hard a proposition as has ever been put up to a Canadian Cabinet maker. Some people will wonder that it does not occur to the Prime Minister that the difficulties in the way show pretty clearly that the best move is a new deal all around.

ANOTHER MONTREAL BUILDING BONDED

Issue of $350,000 First Mortgage Bonds Offered on Wilder's Bleury St. Building

By Resident Representative.

MONTREAL.—Another issue of bonds on real estate as security was announced this week, when Hew R. Wood Company offered for sale $350,000 first mortgage 6½% serial coupon bonds of Wilder's Bleury Street Building. The security is a closed first mortgage on the land, building and equipment in connection with a new 10-storey fireproof brick building in a central location on Bleury street, just north of St. Catherine. The building, it is announced, has already been rented. It is prepared to equip a roof garden, "which should add at least $50,000 to the value of the building, and will increase the rentals and materially reduce the fire insurance rate." The land has a frontage of 55 ft. 7½ in., and a depth of 149 ft. 10 in., and a frontage on Balmoral street of 116 ft. 3 in. The valuation made of the property places it at $627,360, of which the land is valued at $202,360 and the building at $425,000. The gross rental of the property is placed at $85,000 per year.

A unique feature of the bond is the system of monthly deposits. In order to provide systematically for the payment of the bonds and make certain that the borrowing corporation applies its rental income as received each month to the payment of principal and interest before any other obligations are met, monthly deposits of principal and interest are required to be made with the trustee. Each monthly deposit is one-twelfth of the amount of principal and interest coming due during the year. From these deposits as they accumulate, the semi-annual interest and serial principal instalments are paid to the bond-holders.

"These monthly deposits," it is stated, "are a most important safeguard. They make it the first business of the borrowing corporation to pay off its bonded debt; assure the prompt application of earnings to the payment of the bonds; prevent the diversion of these funds to other uses; and keep us in close touch with the affairs of the borrowing corporation month by month."

The bonds are dated July 1, 1919, and the interest is payable Jan. 1 and July 1, at Montreal, Toronto and New York. The bonds are callable at 103, and interest after 1925, in reverse of numerical order. The serial maturities are due July 1st each year, commencing in 1922, when the amount to be matured is $12,500, as is the case next year. In the next four years the amount is increased to $17,500, the next two to $22,500; the next two to $25,000; the next two to $35,000, and the final year, 1934, to $90,000.

EFFECT OF PREFERENCE

Big Expansion in the Automobile and Tire Manufacturing Industry

Among industrial developments of the day, which are a direct outcome of the extension of imperial preferential tariffs, none are of more importance than those connected with the automobile industry. The preference has been the means of bringing to Canada several of the largest automobile and truck manufacturers—already they are building their huge new Canadian factories, partly to take care of existing Canadian business, but chiefly to supply the export trade they are developing in other parts of the British Empire.

Thus Canada suddenly finds herself an important centre for the manufacture of cars for the whole world. It means that Canada must also become a tire producing country on a big scale—for those thousands of new cars to be made here must be fitted with tires of Canadian make—the Canadian tariff wall effectually prevents the importing of them from the U.S., in any considerable quantity.

The tire business of Canada has a future certainly as great as that of the motor car industry of the Dominion. No one can foretell what heights of production and profit may be reached. The only certain thing about the rubber business seems to be the fact that for many years to come, it must have an expanding market.

Kingston is to have a new hotel, if plans now being worked out between the hotel committee of the city council and the United Hotels Company come to fruition. F. A. Dudley, of the United Hotels, was in Kingston this week explaining the system under which the company operates.

FAMOUS CURB MARKET IN N.Y. MAY DISAPPEAR

Overtures Being Made to Get It Into Stock Exchange Building

COMMITTEE NAMED

Governors of the Big Exchange Will Approach Curb Association in an Effort to Get Together

NEW YORK.—Another new plan has been worked, to some extent at least, for housing the New York Curb Market. Under the latest idea to be developed, the Curb market may find itself doing business under the same roof as the New York Stock Exchange members, as the Governors of the Exchange at their regular semi-monthly meeting last week took up the question of placing the Curb in the Stock Exchange Building.

If this plan be finally carried out it will mark the culmination of a long campaign on the part of the Stock Exchange to exercise regulatory powers over the outside market and will be, in substance, a return of the old unlisted department of the Stock Exchange on a larger scale.

After discussing the matter thoroughly at their meeting the governors decided to appoint a committee to look into the matter more closely. The committee was named, but the members who comprise it were not made public. They were charged with the job of looking into the feasibility of housing the New York Curb Market Association in the building owned and occupied by the New York Stock Exchange in accordance with the recommendations of the Hughes commission which investigated securities markets in New York some ten years ago.

Give Up Their Room

Under the tentative plan, details of which remain to be worked out, the governors of the Stock Exchange would give up their room on the sixth floor of the present exchange building to the Curb market. To it would be added the sixth floor of the new building, which the Stock Exchange will construct on the east corner of Wall add New Streets as soon as the structure there shall have been razed. This would give, it is believed, ample space for the operations of the Curb market, and would place it where it was constantly under the supervision of the bigger exchange.

Pending the findings of this new committee which was appointed previously to look into ways and means for regulation of the Curb market will abandon its work. If the plan be adopted the Curb Association will have a separate exchange in the Stock Exchange building, which will correspond to some extent to the unlisted market conducted by the exchange prior to 1911 and abandoned. Tickers would be installed and official quotations made.

E. R. McCormack, chairman of the New York Curb Market Association, refused yesterday to comment at any length on the latest action of the Stock Exchange governors. He said that it might be possible that the plan would be acceptable to the Curb Market Association, but that the organization would take no action until after a thorough investigation.

Makes Second Step

This represents the second step taken by the governors of the exchange in the last fortnight in their efforts to regulate the Curb market. The other announcement, made a couple of weeks ago, was that all members of the New York Stock Exchange who transacted any business in Curb securities, must report such dealings to the exchange, where they would be tabulated and filed, and could be used for fixing some sort of an official quotation list.

What effect this latest move will have on the New York Curb Market Realty Associates, Inc., could not be learned. This organization was formed a short time ago with a capitalization of $750,000 to acquire a site and construct a building to be used by the Curb Association. If the new plan of the Stock Exchange goes through it is not unlikely that that organization will be dissolved and all subscriptions to its stock returned.

WESTERN CANADA FLOUR

J. E. MacFarlane, managing director of the Western Canada Flour Mills, has left on a six weeks' trip to the Pacific Coast. It is understood that his trip is mainly to give him an insight into the crop prospects, but he will visit the company's mills in various Western points, and will go into matters growing out of the recent labor disorganization.

It is being rumored that the Toronto Suburban Railway, which has been taken over by the Government, will be extended to Kitchener, Stratford and London, and possibly to Windsor and Sarnia.

WANTED

Ontario Pulp 6's	$ 95.25
Collingwood Ship 6's.	85.00
Canada Machinery 6's	80.00
Wm. Neilson 6's	95.00
Sterling Bank	105.00
Home Bank	90.00
Canadian Mortgage ..	68.00
Western Can. Flour, Com.	130.00
Alberta Pacific, Com.	124.00
Belding-Paul, Com. ..	38.50
Carriage Factories, Preferred	38.50

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Res. Fd. £2,050,000 Together	£4,050,000
Res. Liab. of Proprietors	£4,000,000
Total Capital and Reserve	£8,050,000

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The Bank Has 181 Branches, viz:

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In New South Wales	39
In Queensland	19
In South Australia	14
In Western Australia	21
In Tasmania	3
And in NEW ZEALAND	44

Drafts upon these Branches are issued by the Head Office and may be obtained from the Bank's Agents throughout the world. Commercial and Circular Travelling Credits issued—available throughout the world. Cable Transfers are also made. Bills on the Australian State and Dominion of New Zealand are purchased or sent for collection.

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CHROME LANDS OF BLACK LAKE ARE OPTIONED

Big U.S. Steel Company May Pay Million For Property

NOW INVESTIGATING

Purchase Would Put Company in Funds to Retire Bond Issue and Leave Balance For Preferred

Confirmation of the report that an option had been granted on its chrome lands in the Eastern Townships of Quebec is given by the head office of the Black Lake Asbestos and Chrome Co., Limited, in Toronto. The purchase price is one million dollars and the option has been extended to one of the big United States steel companies. These chrome lands are actually less than one-third of the total property of the company. Should the option be exercised the company would still retail its asbestos deposits, for the development of which the outlook is very good.

The immediate advantage to the shareholders would come, it is thought, through the retirement of a large portion of the $1,200,000 income bonds, at option of the directors. With the $1,000,000 suggested as likely to be reseived, and a cash surplus in the treasury of about $300,000. It has been suggested that all the bonds might be retired, if desired, but this is considered less likely than the retention of a portion. It is believed, however, that the total might be sufficiently reduced to immediately place the preferred in line for its dividend, which could be readily paid, and put the common in a much better prospective position.

The present position of the chrome iron market is said to be strongly suggestive of the option being exercised, but nothing would be definitely known for some days. It is understood that an engineer will visit and report on the property before a decision is reached.

The appointment is announced of R. N. Palmer, formerly manager of the Worthington Mine, Sudbury, which is owned by the Mond Nickel Company. as general superintendent at Black Lake, in charge of all chrome iron properties.

What Report Said

With respect to the company's chrome ore, the last annual report of the company stated that,—

During the past year several open pits which had been working, pinched out, and with the increasing depth mining costs and the danger of rock slides in the open pits reached a point where it was inadvisable to continue. The pinching out of these ore bodies has involved the company in a legal controversy, the outcome of which is still undecided.

There being urgent demands for chrome ore for war purposes at high prices, it was considered advisable in August last to develop some of the known ore bodies by underground mining. An engineer experienced in chrome ore was retained and mining contractors from the Sudbury District were employed to do the work. A three-compartment shaft has been sunk to a depth of 200 feet near one of the largest ore bodies and drifting is now being done to develop the same, with a view of a greatly increased tonnage. This work necessitated the purchase of considerable plant at war prices, and the total expenditure to date has been nearly $60,000.

The cessation of hostilities, bringing with it a decline in the steel trade, has caused a drop in chrome prices with little demand at the present time; consequently the outlook for this branch of the company's operations is uncertain, and it will probably take six months before the situation improves to any extent. In the interval, the development work is being carried to completion with a view of being able to compete with foreign chrome ores, which pre-war dominated the American market.

The consumption of chrome ore in Canada and the United States during 1918 was about 90,000 tons, the main supplies coming from Rhodesia, New Caledonia, California and Canada. The drop in prices will almost certainly eliminate the California ore. It is anticipated that with proper minimum methods this company should be able to compete for some time, at least, with imported ores.

GOLD MINING FAILS

Dwindling Output of the Precious Metal in Nova Scotia

By Special Representative

HALIFAX.—Gold Mining in Nova Scotia dates back to 1862, when the metal was discovered in this Province. In the following year there was an output of gold, which at $20 an ounce was worth $145,500. Twenty years later the value of the yield had risen to $283,140. By 1901 the yield had reached its peak with a mark of $610,740. It held high for several years but the tendency became downward. In 1914 it stood at $63.160, and last year it was down to $32,600. For the first four months of this year only one company has reported to the mines office, and practically only at one district is work going on — that of the Loon Lake Mining Company, at Montague, near Halifax. The manager there reports having crushed 40 tons of ore, recovering 109¼ ounces of gold, an average of about 2½ ounces to the ton, and in June they crushed 20 tons, recovering 42 ounces, an average of over two ounces per ton. This is a rate of practically $50.00 a ton. The crusher was idle in April and May. Two months' crushing last year resulted in raising 140 tons of ore and the recovery of 380 ounces of gold. The dullness in gold mining has for one of its causes the fact that labor and supplies cost double what they did before the war, while the standard value of the gold is unchanged. Put in another way the gold recovered is worth only half what it once was.

The question is whether Nova Scotia's gold deposits are all comparatively on or near the surface or whether, by the expenditure of capital and going much deeper, the metal would be found again in paying quantities at depth.

HERRICK

An optimistic report on prospects at the Herrick Gold Mines in the new West Shining Tree mining camp is contained in the latest market letter of F. C. Sutherland & Co. "This company," says the writer, "is in a strong position financially, having ample funds in the treasury to prosecute development. In fact the treasury is so "well fixed" that it is doubtful if any further stock offering will be made for some time. The work being done is proving the property one of unusual merit. The ore body is widening at depth and values from the surface to a depth of 50 feet have seldom, if ever, been equalled on any ground in the camps of Northern Ontario. Good progress is being made with the diamond drilling, which is pointed to cut the ore at a vertical depth of 400 feet. There is every reason to believe that the ore at this depth will show even better values. This being the case, it seems certain that the company will be made a close corporation, any further development being supplied by those already interested. The history of the Herrick, during three short months of development, is an illustration of the opportunities being afforded investors of getting in on the ground floor. We understand that one shareholder refused 75 cents a share for his block of stock.

TOUGH-OAKES

The fear that there may be a recurrence of serious litigation in the case of the Tough-Oakes Company is regarded as unjustifiable by F. C. Sutherland & Co. Referring to the action being taken against the former president, C. A. Foster, they say: "The present action cannot, to our mind, resolve itself into anything more than an effort on the part of the company to collect the in itself insignificant sum of $6,896. That such an action can have the effect of causing the property to be shut down, seems to us a considerable stretch of the imagination. The mine was re-opened recently under new management and rapid progress was being made up to the time the Kirkland Lake miners went on strike. The news from the north indicates that this strike is petering out and that the men will very shortly be back on their jobs. The company is equipped with an up-to-date 140-ton mill and is in a financial position to permit operation on a big scale. If the proposed amalgamation with the Burnside, Sylvenite and Aladdin goes through, we believe it will be a good move for all concerned, but if it doesn't, the Tough-Oakes is certainly in good shape to take care of itself."

NIPISSING

In his monthly report on operations at the Nipissing Mine, R. B. Watson, general manager, states that during June the company mined ore of an estimated value of $357,474 and shipped bullion from Nipissing and customs ore of an estimated net value of $111,777. The low-grade mill treated 6,959 tons of mill rock and the new high-grade plant treated 200 tons of Nipissing high-grade ore and concentrates and custom ores. The refinery shipped 101,054 fine ounces of bullion. The following is an estimate of production for the month of June: Low-grade mill, $240,488; washing plant, $96,986; total, $337,474. Average daily production was $11,249, against $11,218 in May. Output for the first six months was $1,637,422.

KERR LAKE

A general meeting of shareholders of Kerr Lake Mines, Limited, has been called for August 1 for the purpose of confirming a by-law adopted by the board of directors reducing the present authorized capital from $3,000,000, divided into 600,000 shares of $5.00 par value to $2,400,000, divided into 600,000 shares of $4.00 par value. In connection with this, E. H. Westlake, secretary, explains that "Your Company has received from the Kerr Lake Mining Company, Limited, of which it owns the entire capital stock, a distribution of somewhat over $600,000. In view of the depletion of the mines it has been decided that this distribution cannot properly be considered earnings of the Company and must to the extent of $600,000 be considered a payment on account of capital. It is expected that in due course a distribution of capital of one dollar per share will be made to the holders of the capital stock of this company."

DAVIDSON

Following a clean-up at the Davidson Gold Mines, a gold bar valued at $8,000 has been shipped to the company's head office in Toronto. The mill is running at capacity and ore standing up to average. The new shaft has reached a depth of 575 feet. Rapid sinking process is being made. A depth of 700 feet, which is the present objective of the management should be reached in short time. It is anticipated that the opening up of the ore body at 600 and 700 feet will, as indicated by the diamond drill, disclose unusual gold values over a great width. All danger from forest fires in the Porcupine district is reported eliminated for the present, following the occurrence of heavy rainfalls.

TELLS HOW TO GET CANADIAN TRADE

Report of Fred W. Field of Interest to British Exporter and Manufacturer

The report of F. W. Field, British Trade Commissioner at Toronto, on trade conditions in Canada and Newfoundland is of interest to both the British business man and the Canadian importer. He advises that Old Country exporters should exercise care in the selection of their representatives in Canada, and if a good man is secured, he should be held on to, even in dull times.

He points out that expenses of maintaining a representative and offices in Canada will be much greater than it would be in Great Britain. Once a good connection has been established it is unfair to withdraw the agency except for good reasons.

There is still complaint about lack of care on the part of British shippers in making out invoices. One method suggested is for the U. K. manufacturers to make out invoices in triplicate for customs, sending the same to the customer with a copy to the agent who placed the order; and also a sample list to the same parties with samples and numbers in the same sequence as the items of the original order which the agent placed.

While some British firms handle both their American and Canadian business through New York, it is suggested that a separate Canadian office is better. Complaint has always been made that the British manufacturer does not show the same enterprise and willingness i nmeeting the particular demands of the trade here as does the American, Japanese and others. Mr. Field refers to this again, and there does not seem to be much improvement in the British manufacturer in this respect. One reason given for this unwillingness to meet special requirements is given by the British as the comparatively small demand here for such specific lines. Their competitors comply with this demand, however.

The importance of good trade catalogs, particularly of the loose leaf style, is emphasized; but little or no business can be done unless this is followed up by personal solicitation. The use of moving pictures for trade propaganda is suggested.

It is urged that the large groups of Old Country trade specialists to be found in various commercial and manufacturing establishments should be utilized for the promotion of British trade. The Americans use their fellow-countrymen in such circumstances wherever possible. Principals of firms doing a large business, or who hope to do a business in Canada, should make personal visits as often as possible.

TEN YEARS OF HIGH PRICES

Due to Currency Inflation, Not to Any Other Economic Force

A long and slow period of declining prices, covering ten years and possibly more, is foreseen by A. C. Miller, of the Federal Reserve Board. In an address delivered recently Dr. Miller discussed the history of price trends since the outbreak of the war and reached the conclusion that commodity prices may go even higher than they are to-day and that they will be sustained on a relatively high and, perhaps, periodically uneven level for a decade. Dr. Miller finds that high prices are due to currency inflation rather than to any other economic force. By means of increased production and continued saving on the part of the people, and only by these means, can prices come down. To suddenly and by artificial means deflate the currency would have had effects which would not remedy matters; therefore, the world should reconcile itself and its affairs to a long period of high prices. The thirty per cent. drop in prices noted in 1865 after the American Civil War cannot be taken as a criterion, he says. There may be even a further rise in prices during the next year before the long downward trend is felt. A decade is necessary because it will take Europe at least that long to re-establish herself on normal basis of production. Excepting in cases of investment of great capital for long periods, the decline will not be precipitate enough to cause any business losses.

Dr. Miller sees as the most important task of the present setting of Europe to work. If it is necessary, the granting of credits and goods on credit to Europe should continue, for only by giving Europeans the tools to work with can they recommence that production without which the old normal basis cannot be restored.

The Bank of Toronto is to erect a building at the corner of King and Wellington Streets, Preston, at a cost of between $50,000 and $60,000. The plans for the new structure are all completed and work will be commenced at once.

INTEREST in a stable and growing business wanted. One of our clients is ready to invest $10,000.00 now and as much additional capital later as the growth and expansion of the business will warrant, in a well established business enterprise. An interest in a progressing manufacturing company preferred. No investment will be considered in any excepting concerns that are capable of good development and that have a good future. Opportunity for the fullest investigation will be required. No "Get-Rich-Quick" promoters need apply. For interview, write us, 56 Church Street, Toronto, giving nature and location of business. The H. K. McCann Co., Ltd.

Stocks Wanted
Goderich Elevator
Trust & Guarantee
Sterling Bank
J. E. CARTER
Investment Broker, Guelph, Ont

Principles of Foreign Trade

A NEW and thoroughly up-to-date book on the principles of foreign trade has just been published. It contains lists of consulates and the latest and fullest information on salesmanship abroad, functions of government bureaus, commercial laws, trade marks and credit customs.

For the great mass of business men whose eyes are turning to look beyond our shores, this book will be an invaluable aid. All the broad principles of foreign trade are laid down, it tells how to select a field, how to prepare and develop a market, how to organize and operate a staff, etc.

For the first time a single volume gives the exporter a complete survey of the entire field.

The author, Norbert L. Savay, has had an unusually wide and practical experience in foreign fields. For over fifteen years he has acted as salesman, investigator, executive and counsel for consulates and international traders. His wide experience and crisp style of writing give him an equipment perhaps unique for the treatment of this important subject.

The book contains a comprehensive index which will make every aspect of the subject immediately available.

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The Merchants Bank Of Canada
QUARTERLY DIVIDEND

NOTICE is hereby given that a dividend of Three Per Cent. for the current quarter, being at the rate of Twelve Per Cent. per annum, upon the Paid-up Capital Stock of this Institution, has been declared, and will be payable at its Banking House in this city and its Branches, on and after the 1st day of August next to Shareholders of record at the close of business on the 15th day of July.

As regards new stock paid up subsequent to 15th May, in full or in part, the rate of Three Per Cent. for the current quarter (or twelve per cent. per annum) will apply proportionally from the dates upon which payments were made.

By Order of the Board.
D. C. MACAROW,
General Manager.
Montreal, 26th June, 1919.

The Canadian Converters' Co. Limited

DIVIDEND NOTICE.

NOTICE is hereby given that a Dividend of One and one-quarter (1¼%) Per Cent. has been declared on the Capital Stock of this Company for the quarter ending 31st July, 1919, payable 15th August, 1919, to Shareholders of Record at the close of business 31st July, 1919.

By Order of the Board.
THOS. M. BARRINGTON,
Secretary-Treasurer.
Montreal, 10th July, 1919.

THE CANADIAN FAIRBANKS-MORSE COMPANY, LIMITED
Deferred Dividend No. 28

NOTICE is hereby given that a semi-annual dividend of 3 per cent. (3%) on the preferred stock of this Company has been declared due and payable on the fifteenth day of July, 1919, to stockholders of record at the close of business Saturday, July 5th, 1919.

By order of the Board.
T. M. CULLEN,
Assistant Secretary.
Montreal, June 28th, 1919.

Buy Victory Bonds

OF all the standard investments that command the confidence of the careful investor, Canada's Victory Loan Bonds are the most suitable for Canadians.

We are in a position to offer you for immediate delivery several issues of different maturities. At current prices the yield is around 5%, free from Federal income tax.

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NATIONAL CITY BANK BUILDING
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THROUGH its international chain of correspondent offices, The National City Company gains a broad vision over the investment fields of the entire country.

We are glad to offer advice to anyone seeking to invest funds wisely and profitably.

We appreciate the opportunity to serve the investor of a hundred dollars. No one commands greater attention here.

THE NATIONAL CITY COMPANY, Limited
10 King Street East, TORONTO, Tel. Main 623
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Bonds for Investment

IMPERIAL BANK OF CANADA

DIVIDEND NO. 116

NOTICE IS HEREBY GIVEN that a dividend at the rate of twelve per cent. (12%) per annum upon the paid-up Capital Stock of this Institution has been declared for the three months ending 31st July, 1919, and that the same will be payable at the Head Office and Branches on and after Friday, the first day of August next.

The Transfer books will be closed from the 17th to the 31st July, 1919, both days inclusive.

By Order of the Board.

W. MOFFAT, General Manager.

Toronto, 18th June, 1919.

THE BANK OF NOVA SCOTIA

INCORPORATED 1832

Capital,	$ 9,700,000
Reserve Fund and Undivided Profits, over	18,000,000
Total Assets, over	220,000,000

GENERAL MANAGER'S OFFICE, TORONTO
H. A. Richardson, General Manager

BRANCHES:
CANADA—In all the larger cities and towns and throughout each province—254 branches.
NEWFOUNDLAND—St. John's and 18 other points.
JAMAICA—Kingston and 9 other points.
CUBA—Havana.
PORTO RICO—Fajardo and San Juan.
UNITED STATES—New York, 52 Wall Street; Boston and Chicago.

CORRESPONDENTS:
LONDON, ENG.—London Joint City & Midland Bank, Ltd.
NEW YORK—Bank of New York, N.B.A.; National Bank of Commerce.
Collections made at lowest rates and returns promptly remitted. Accounts of firms, corporations and individuals carried on most favorable terms.

Correspondence Solicited

LLOYDS BANK LIMITED.

Head Office: 71, LOMBARD ST., LONDON, E.C. 3.

CAPITAL SUBSCRIBED	£55,962,850
CAPITAL PAID UP	8,954,056
RESERVE FUND	9,000,000
DEPOSITS, &c.	267,966,438
ADVANCES, &c.	81,072,134

THIS BANK HAS OVER 1,300 OFFICES IN ENGLAND AND WALES.
Colonial and Foreign Department: 17, Cornhill, London, E.C. 3.
The Agency of Foreign & Colonial Banks is undertaken.
Affiliated Banks:
THE NATIONAL BANK OF SCOTLAND, LTD. LONDON & RIVER PLATE BANK, LTD.
French Auxiliary:
LLOYDS BANK (FRANCE) AND NATIONAL PROVINCIAL BANK (FRANCE) LIMITED.

In the Supreme Court of Ontario

In the matter of the Standard Reliance Mortgage Corporation *and* In the matter of the Winding-Up Act and Amendments Thereto.

NOTICE is hereby given that a meeting of the Debentureholders, Depositors, Creditors, Shareholders and Contributories of the Standard Reliance Mortgage Corporation will be held on Wednesday, the 6th day of August, 1919, at two o'clock in the afternoon at Massey Hall, Toronto, for the purpose of considering and if thought fit approving with or or without modification of a scheme of arrangement proposed between the said Company and its Debentureholders, Depositors, and other Creditors, and Shareholders; at which time and place all the aforesaid Debentureholders, Depositors and other Creditors and Contributories and Shareholders are requested to attend.

A copy of the proposed scheme of arrangement may be seen on any week day between the hours of ten o'clock and five at the following places:—

1. Toronto, Ont., at the Head Office of the Standard Reliance Mortgage Corporation, No. 10-12 King St. East.
2. Chatham, Ont., at the Office of the Corporation.
3. Woodstock, Ont., at the Office of the Corporation.
4. Ayr, Ont., at the Office of J. R. Folsetter.
5. Elmira, at the Office of the Corporation.
6. New Hamburg, at the Office of the Corporation.
7. Brockville, at the Office of the Corporation.

The said Debentureholders, Depositors, Creditors, Shareholders and Contributories may attend such meeting and vote in person or by proxy. Forms of proxy may be obtained at the said office of the Provisional Liquidator at No. 15 Wellington St. West, Toronto, on any week day between the hours of ten o'clock and five, prior to the day appointed for the holding of the said meeting.

The Official Referee will act as Chairman of the said meeting.

The above mentioned scheme will be subject to the subsequent approval of the Court.

And notice is also hereby given that at the said meeting the Official Referee will, pursuant to the Winding-up Order, appoint a permanent Liquidator of the Standard Reliance Mortgage Corporation.

Dated the 8th day of July, 1919.

J. A. C. CAMERON, Official Referee.

Osgoode Hall, Toronto.

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(Incorporated by Act of the Parliament of Canada)

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MONEY BANKING AND EXCHANGE

BANK CLEARINGS SHOW A FALLING OFF IN THE WEST

Eastern Cities Show a Gain of 40.2 Per Cent. For the Week

DOMINION GAIN 29.1%

Out of a Total of Twenty-Five Cities Only Three Show Falling Off—Prince Albert Reports Largest Gain

Bank clearing returns for the week ending Thursday last show a total of $319,055,086, as compared with $247,002,872 for the corresponding period in the previous year, a gain of $72,052,214, or 29.1 per cent. The gain in the East is $75,604,642, or 40.2 per cent., while in the West there is a falling off of $3,552,428, or 6 per cent. Peterboro' is the only city in the East to show a falling off, and in the West, Winnipeg and Lethbridge also show lower returns. Montreal, with a total for the week at $136,108,497, shows a gain of 46.2 per cent., while Toronto, with a total of $91,646,337 shows an increase of 33.8 per cent. In the West, Wininpeg shows a decrease of 28.5 per cent. Prince Albert shows the largest percentage gain. Following are comparative figures:

WEEKLY BANK CLEARINGS
(In comparison with same week last year.)

Eastern Cities	July 17, 1919		Change	%
Montreal	$ 136,108,497	+	$ 43,021,299	46.2
Toronto	91,646,337	+	23,146,904	33.8
Ottawa	10,726,118	+	4,274,514	66.2
Hamilton	6,737,506	+	1,347,724	25.0
Quebec	6,473,821	+	1,578,343	32.2
Halifax	5,330,826	+	645,552	13.7
St. John	3,131,289	+	916,544	41.4
Brantford	1,114,217	+	154,640	16.1
Peterboro	699,688	—	106,521	13.2
Sherbrooke	1,027,969	+	303,475	41.9
Kitchener	908,057	+	322,168	55.4
Total, East.	$ 263,904,325	+	$ 75,604,642	40.2
Windsor	2,066,425			

Western Cities	July 17, 1919		Change	%
Winnipeg	$ 22,017,145	—	$ 8,796,603	28.5
Vancouver	11,847,377	+	621,643	5.5
Calgary	5,910,168	+	1,085,508	22.7
Edmonton	4,239,440	+	1,251,414	42.0
Regina	3,758,687	+	802,394	27.1
Saskatoon	2,109,605	+	615,134	41.2
Moose Jaw	1,549,513	+	342,146	28.4
Ft. William	869,568	+	248,734	40.1
Brandon	633,623	+	34,959	5.9
Lethbridge	800,477	—	146,066	15.5
N. Westminster	553,905	+	120,096	27.8
Medicine Hat	429,809	+	72,437	20.6
Prince Albert	431,444	+	195,776	83.0
Total, West.	$ 55,150,761	—	$ 3,552,428	6.0
Grand Total	$ 319,055,086	+	$ 72,052,214	29.1
Yr. to date	$7,557,756,771	+	$875,543,582	13.1

FIFTY-SEVEN NEW BRANCHES OPENED

Only Three Branches Closed During the Month of June

During the month of June, according to returns furnished the FINANCIAL POST, the Canadian chartered banks opened fifty-seven new branches and closed three, which compares with seventy-two branches opened in the previous month and no branches closed. The Royal and Merchants opened 8 branches each: Nationale, seven; Commerce, six; Hamilton, Imperial and Union, five each; Provincial, four; Montreal, Nova Scotia, Standard and Sterling, two each, and Molsons one.

Of the three branches closed one was by the Imperial at Rochfort, Alta.; Commerce, at Whitecourt, Alta., and the Nationale at Johnville, Que. Following is a list of the branches opened and closed:

Opened.

Imperial—Stamford, Ont.; St. Thomas; Crystal Beach, Ont.; Creston, B.C.; Michel, B.C.

Sterling—Duntroon, Ont.; Myrtle Station, Ont.

Hamilton—One Ontario; two Saskatchewan; two Alberta.

Commerce——City Hall, London; Bloor and Runnymede, Toronto; Georgetown, P.E.I.; Burin, Nfld.; Hatzic (sub-agency); Matsqui, B.C.

Montreal—Oshawa, Ont.; Chicoutimi, Que.

Provincial—St. John (North End); St. John (South End); Charlottetown, P.E.I.; Summerside, P.E.I.

Royal—Mount Hamilton, Ont.; Lintlaw, Sask.; Harvey Station, N.B.; Moncton, N.B.; Whycocomagh, N.S.; Rose Blanche, Nfld.; Basse Terre Guadeloupe; Camajuani, Cuba.

Molsons—Bridgeburg, Ont.

Standard—Napanee, Ont.; Pontypool, Ont.

Merchants—Phillipsville, Ont.; Tamworth, Ont.; Foresters Falls, Ont.; Three Rivers, Que.; Montreal South; Rosalind, Alta.; Ribstone, Alta.; Merna, Alta.

Nova Scotia—One Nova Scotia; one Newfoundland.

Nationale — Mount Royal, Montreal; Magog, Que.; St. Jerome, Terrebonne; Daaquam; Bersimis; Georgeville; St.-Eugene-de-Grantham.

Union — Truro, N.S.; Charlottetown, P.E.I.; Elphinstone, Man.; Black Diamond, Alta.; Ducks, B.C.

Closed

Imperial—Rochfort, Alta.
Commerce—Whitecourt, Alta.
Nationale—Johnville, Que.

NOVA SCOTIA

Lorne Connell, who recently joined the staff of the Bank of Nova Scotia at Winnipeg, has been transferred to the branch at Fort William.

The Bank of Nova Scotia has opened a branch at Kennetcook Corner, Hants Co. A bank official from Truro, N.S., is at present in charge.

MERCHANTS

Reginald Snell, of the staff of the Galt branch of the Merchants Bank, has been transferred to the branch at London.

C. L. Bridger, manager of the Merchants Bank at Oxbow, has been appointed manager of the Gladstone branch of the Merchants Bank, to succeed F. W. Newton, of the Gladstone branch, who has been transferred to Winnipeg.

J. Primrose, of the Merchants Bank staff at Wainwright, has been transferred to the branch at Bentley, Alta.

IMPERIAL

A branch of the Imperial Bank of Canada has been opened at the corner of Bathgate and Danforth Avenues, Toronto.

COMMERCE

Branches of the Canadian Bank of Commerce have been opened at the following points: St. Jacques, Que., under the management of J. C. R. Marchand; Ottawa Street, Walkerville, Ont., under the supervision of the Walkerville manager, H. B. Parsons.

F. C. Stevenson, who has been manager of the Kingston branch of the Bank of Commerce since its establishment twelve years ago, has been transferred to the branch at Ottawa, and will be succeeded at Kingston by S. M. Gibson, assistant manager of the bank in Montreal.

ROYAL

The Royal Bank of Canada announces the opening of the following branches and sub-branches: Moncton, St. George Street, N.B.; Harvey Station (York County), N.B.; Port Coquitlam, B.C.; Huntsville, Ont.; Plaster Rock, N.B.; Goldstone and Rothsay, sub-branches to Drayton, Ont.; Lemsford, sub-branch to Portreeve, Sask.; Rustico, sub-branch to Hunter River, P.E.I.

A branch of the Royal Bank has been opened at the corner of Kent and Cambridge Streets, Lindsay, under the management of Clare Sootheran.

A branch of the Royal Bank has been opened at Chatsworth, Ont., under the management of A. A. Hutchinson.

PARK-UNION

At a meeting of the directors of the Union Bank of Canada, held during the week, announcement was made of the opening in the immediate future of branches of the Park-Union Foreign Banking Corporation in Paris, France; Kobe, Japan, and Hankow, China.

Those attending the meeting were G. G. Thorne, a director of the corporation and vice-president of the National Park Bank; E. C. Hoyt, a director and chairman of the board of the Central Leather Company; Dr. Charles A. Holder, president of the corporation; W. J. Dawson, a director and one of the New York agents of the Union Bank of Canada; F. E. Kenaston, of Minneapolis, a director of the Union Bank of Canada and of the corporation; H. B. Shaw, general manager of the Union Bank of Canada, Winnipeg; R. O. McMullock, of Galt, and Stephen Haas, of Toronto, both of the latter being directors of the corporation and of the Union Bank of Canada.

It was further announced that Viscount de Breteuil had accepted the chairmanship of the Advisory Board in Paris, and that the branch will be under the management of M. Carrere, formerly manager for the Far East of the Russo-Asiatiqe Bank.

UNION BANK

The opening of a branch of the Union Bank of Canada at Ducks, B.C., gives the Union Bank of Canada 361 branches in Canada.

G. A. Campbell, who has been appointed manager of the Union Bank of Canada in succession to C. H. Pennefather, recently appointed assistant manager at Toronto, has taken over his duties.

Union Bank of Canada staff changes are announced as follows: To be accountant-in-charge, J. E. Bessette, at Altamont, Man.; to be accountant, R. C. Baker, at Melita, Man.; D. M. Cameron, at Morden, Man.; R. B. Robinson, at Carman, Man.; acting-accountant, W. B. Axford, at Winnipeg (Corydon and Osborne); teller-accountant, R. P. Christie, at Asquith, Sask.; G. A. Dryburgh, at Toronto (Teraulay Street); J. B. Egan, at Govan, Sask.; R. Haining, at Waterhole, Alberta; T. H. Hammell, at Charlottetown; H. D. Hughes, at Winnipeg (Main and Mountain); J. H. J. Johnstone, at Chauvin, Alberta; D. A. McMurtry, at Hamilton (East End); M. G. Smith, at Winnipeg (Corydon and Lilac); L. D. G. Strutt, at Lang, Sask.; W. W. Thomson, at Prince Albert, Sask.; acting account, H. B. Kearns, at Aylmer, Que.

Mr. Moir, of the Cypress River branch of the Union Bank, has been transferred to the branch at Glenboro.

BANK OF ENGLAND.

London, July 17.—The weekly statement of the Bank of England shows the following changes:—

Total reserve, inc.	£ 732,000
Circulation, dec.	699,000
Bullion, inc.	33,230
Other securities, dec.	929,000
Other deposits, dec.	92,593,000
Public deposits, inc.	119,000
Notes reserve, inc.	724,000
Government securities, dec.	92,255,000

The proportion of the bank's reserve to liabilities this week is 20.54 per cent.; last week it was 12.30 per cent.

Rate of discount, 5 per cent.

BANK STOCK CHANGES

	Last July 10	Sales July 17	Chge.
Commerce	205	204	— 1
Dominion	205	205	.
Hamilton	184	185	+ 1
Hochelaga	158	157	— 1
Imperial	200	196½	— 3½
Merchants	202	200	— 2
Molsons	195	193	— 2
Montreal	217	217	.
Nova Scotia	276	275	— 1
Royal	216	216	.
Standard	216¼	217	+ ¾
Toronto	199½	199½	.

STERLING'S DROP FEATURES EXCHANGE

Serious Consequences of Weakness Leads to Foundation of Powerful Committee

Extreme weakness in sterling exchange has featured the exchange market this week, and, until Thursday, each day's quotations witnessed a lower and lower trend to prices. On Tuesday the market was quite demoralized, while on Wednesday after opening at 4.35½, the quote dropped to 4.31. Thursday the opening was at 4.28 and some transactions are reported to have gone through at 4.25, but later in the day the rate firmed up to 4.35.

New York funds have reflected the weakness in sterling, and on Thursday struck a new high at 3 5-32 bid. There has not been much doing in funds and the market in pretty narrow. The course of this exchange has been as follows:

July 11—Funds opened nominally at 3 1-16 per cent. premium; sold at 3 1-32 to the seller and were quoted at 3 to the seller at the close.

July 12—Funds sold at 3 per cent. to seller and buyer.

July 14—Funds steady at 3 to the seller.

July 15—Opened at 3 to the seller and closed in Montreal at 3 1-32 to the seller.

July 16—Funds sold at 3 1-16 to the seller, closing at 3 3-32 to buyer and seller.

July 17—Opened at 3⅛ to buyer and seller and closed at 3 5-32 bid, the highest quotation on record.

So far as sterling and francs are concerned the story of the week is told by the opening rates each day, which were as follows:

	Sterling. Demand	Sterling. Cables	Francs. Demand	Francs. Cables
July 11	4.49⅛	4.49¾	6.82	6.80
July 12	4.48⅛	4.48¾	6.87	6.85
July 14	4.47	4.47½	6.89	6.87
July 15	4.43½	....	6.99	6.95
July 16	4.35½	4.36	7.10	7.03
July 17	4.28	4.28¾	7.22	7.20

That the situation regarding sterling exchange is regarded very seriously in the United States is evidenced by the fact that a committee representing powerful financial interests has been formed in New York to evolve some means, possibly through Governmental channels, to relieve the pressure which will be so inimical to the interests of American export trade. A representative of the Canadian banks in New York is acting on the committee, indicating that Canada is as much concerned as the United States in the matter. The rise in sterling on Thursday afternoon is reported to be due to the expected effect of the formation of the committee.

FORM TRADE GROUPS

Exporters Should be Represented by Practical Men

Philippe Roy, Commissioner General of Canada in Paris, France, writes, laying emphasis on the importance of Canadian manufacturers forming themselves into trade groups, and of being represented by men on the spot, not only for imports into France, but also for goods which are to be re-exported from that country. These representatives, he says should be willing to put their minds to work, be able to speak both languages, and not only keep an eye open for sales—which is the least difficult thing in the situation—but be prepared to follow the goods from the port of entry to the point at which they are to be delivered, pay the duties levied, and see to it that no wrong declaration has been made, thus avoiding the contingent penalties of fine or confiscation by the French authorities.

DOM. TEXTILE CO. FINANCING FOR $9,000,000 MILL

Continued from page 1.

of the Dominion Textile Company.

The arrangement is that these will be what are called "first mortgage and refunding" bonds. The "refunding" part of it, of course, refers to the meeting of the maturing bonds of the company. On the other hand, each series of the bonds as they are issued will be first mortgage bonds. For instance, the first issue will have as a security a first mortgage on the Mount Royal Mill and each of the maturing issues as they become due and are paid off by the new bonds will relieve the first mortgage security that they now hold, and this will be transferred to the refunding bonds.

The company is in a position now of having far more business than it can attend to and it is expected that not only will the domestic business steadily increase, particularly with the improved facilities for manufacturing these lines and new ones of a finer quality that it is understood the company will soon take up, but there is an addition in export business that is looked on as certain by those in touch with the company. The output this past year was over $23,000,000.

Montreal Tramways and Power Company Limited

Secured Gold Bonds To Yield 6¼%.

Particulars on request

Green, Henderson & Co.
Sun Life Bldg., 60 Victoria St. Toronto, Canada

ROYAL BANK OF SCOTLAND

Incorporated by Royal Charter 1727

Paid-up Capital	£ 2,000,000
Rest and Undivided Profits	1,030,470
Deposits	29,202,380

Head Office: St. Andrew Square, Edinburgh.
Cashier and Gen. Mgr., A. K. Wright.
Secretary, J. B. Adshead.

London Office—3, Bishopsgate, E. C. 2.
Wm. Wallace, Manager.

Glasgow Office—Royal Exchange Square and Buchanan Street.
A. Dennistoun, Agent.

167 Branches throughout Scotland.

Banking business of every description transacted. Deposits received at interest repayable at call or at notice. Drafts, Circular Notes, Letters of Credit and Cable Transfers issued — available throughout the world. Foreign Exchange. Accounts opened and Agency business undertaken for Foreign and Colonial Banks and other financial establishments. Correspondence invited.

Debentures for Sale

TWENTY-TWO Thousand Dollars, County of Oxford, "Road Improvement Debentures," dated June 1st, 1919; fifteen equal annual instalments of principal and interest, with coupons for interest. Interest at 5½% per annum.

Sealed tenders addressed to the undersigned and marked "Tender for Debentures" will be received up till 10 o'clock a.m. July 19th, 1919.

The highest or any tender not necessarily accepted.

N. E. BIRTCH, County Clerk, Woodstock, Ont.

Tenders Wanted

SEALED Tenders will be received up to August 4th, noon, for $30,000.00 Township of Charlottenburgh 5½% Debentures, payable in 20 equal annual instalments.

Communications should be addressed to GEORGE A. WATSON, Township Clerk, Williamstown, Ontario.

The Standard Bank of Canada

Quarterly Dividend Notice Number 115

A Dividend at the rate of 3¼% for the three months ending 31st July, 1919, has been declared, payable 1st August, 1919, to Shareholders of record as at the 19th of July, 1919.

By Order of the Board,

C. H. EASSON, General Manager.

Toronto, June 20th, 1919.

DEBENTURES FOR SALE

TENDERS will be received by the undersigned until Friday, the 25th day of July, 1919, for $30,000 (20-year-instalment) debentures of the Town of Trenton, bearing interest at Five and One-half per cent., payable annually.

The highest or any tender not necessarily accepted.

J. W. DELANY, Treasurer, Town of Trenton.

Dated July 16th, 1919.

Route Your Shipments CANADIAN NATIONAL

NEWS AND VIEWS FOR MANAGERS

STATE LAWS MAY BE LIGHTENED FOR CANADIAN BANKS

Branches in New York Now Pay Heavy Tax and Get No Deposits

AIM AT RECIPROCITY

American Banks Doing Business in Foreign Countries Fear That They May Be Retaliated Against

By Special Representative

NEW YORK.—If those who are at present pressing for a repeal or a radical modification of the present New York State laws governing the operations of foreign banks, are successful in attaining the object of their campaign. Canadian banks doing business in New York will not only escape a portion at least of the very heavy taxes they are called upon to pay but will be enabled to expand their business considerably.

The present law compels foreign banks with branches or agencies here to pay a tax of five per cent. on their gross earnings. Not only must they pay this tax but they are forbidden to accept deposits.

To avoid Retaliation

Those who are backing the campaign for a modification of the present law, at Albany, claim that this discrimination in favor of American banks in New York City is affecting adversely the status and is likely in the near future to restrict the possible field of operations of American banks doing business in foreign countries. It is pointed out that while British banks impose no restrictions on American banks doing business in the various parts of the British Empire, British banks doing business in New York City must face heavy taxes and restrictions on their business. Report here has it, further, that this attitude of the New York State Government is likely to result in retaliatory legislation on the part of the British Government. Imposed originally to preserve the banking privileges in New York City for American capital and American bankers, it is believed that the international character of American banking to-day makes such legislation no longer necessary.

Welcome to Canadians

So far as the Canadian banks located in New York City are concerned the removal of the New York State tax on earnings and the widening of their possible field of operations, with the removal of the law which forbids them accepting deposits, would be very welcome. Taxes amounting to almost sixty-two per cent. of their net earnings are to-day being imposed on Canadian banks doing business in New York City. This includes federal and state income taxes and the banking tax above referred to.

Canadian bankers here feel that in view of the close financial relations that at present exist between the two countries, the fact that the Canadian banks through their New York agencies pay such heavy taxes into both the federal and state treasuries, and the fact that no such discrimination is evident in the case of American banks doing business in the British Empire that any possible reduction in their taxation can be regarded as only fair and just.

Would Get Deposits

So far as deposits are concerned, it is felt that were the restrictions removed, a great deal of money would be placed in the custody of the Canadian banks. It is believed that not only would Americans take advantage of the opportunity of depositing their money with the Canadian banks, but that many Canadians resident in the United States would be only too glad to make use of the special advantages of the system they knew so well at home.

Not only would the granting of the right to accept deposits enable the Canadian banks in New York to thus widely extend their service, but it might open up a new era in American and Canadian financial relations by placing new sources of capital at the disposition of Canadian enterprises. Then, too, the fact that the Canadian banks had depositors in both Canada and the United States would internationalize Canadian banking to an extent hitherto thought impossible.

DOMINION BANK

Half-Yearly Statement Shows Increase in Net Profits

The half-yearly statement shows net profits of $553,698, an increase of $31,000. Deposits are practically unchanged. Cash assets show a decrease of $801,000 for the six months, but an increase of $3,200,000 for the year. Total assets are now $123,872,000, while current loans and discounts are $55,500,000. The balance at profit and loss carried forward is $640,201, an increase of $193,698.

BANKERS KEEP EYE ON SPECULATION

Tendency General in States—Prices Are Again on Way Up

NEW YORK.—After making inquiry into the sources of funds for call loans, the Federal Reserve Board finds that "they are widely distributed throughout the country, and that the tendency towards speculation is not localized, but general.

"Speculation during the month has reached an unprecedently high point, both in New York and elsewhere. Call money has been quoted as high as 15%. and although this level was not long maintained, it was taken as an indication of danger and led to a reduction in the volume of stock speculation."

In regard to the general tendency toward speculation, the Board says that "bankers are watching with particular interest the development of this movement on account of the large requirements of the crop season and the obvious needs for the financing of the export trade. Apprehension is expressed in a number of quarters lest bankers may get into the habit of over-lending, and lest the prevailing high prices for real estate and commodities may result in advances up to an unduly great portion of the normal value of the property or security offered."

In its monthly review of business and financial conditions the board holds out no hope for an early reduction in commodity prices.

"Prices," it says. "have continued to rise throughout the month, both in this country and England, and are fast making up the setback which occurred after the signing of the armistice, when a slight reduction in prices over the high levels of the war period took place. The enormously heavy demand for goods for export has rendered products in many lines scarce, or has even put them out of reach. In nearly all districts it is reported that the conclusion has been arrived at by business men that they can rely upon heavy demand and continuously sustained prices for some time to come. while a feeling of apprehension which had been entertained early in the year is disappearing."

THE HANDLING OF EQUIPMENT LOANS

How Bankers Should Handle Applications From Manufacturers

The manufacturer who seeks a loan for the purpose of obtaining new equipment, demands special study, declares a writer in the 'Teller.' His is a problem that calls for shrewd judgment and businesslike tact on the part of the banker.

Men may come to you for a loan to help them make an advantageous purchase of materials; or to cover the wage-bill between selling seasons; or to help them to carry accounts to maturity.

All these are ordinary, everyday legitimate banking transactions—accommodations that help a business along. Loans of this type are profitable, safe business for the Bank to handle, because they are quickly realized or easily negotiable. In making a recommendation for such a loan, facts and figures are the only guide. Head office will treat the recommendation as it treats all loans sought for operating expenses—from a purely business standpoint—fairly and without bias.

But when a manufacturer wants a loan to enable him to increase his manufacturing facilities either by enlarging his plant or by installing more modern, more efficient machinery, an entirely new aspect of the question is raised.

Instead of seeking an accommodation for operating expenses, your customer is asking for NEW CAPITAL. Such a loan, if made, may not be easily realizable. It will not be a good asset for the bank, because it may not be a liquid asset.

But this is not to say that the Bank makes no loans for new equipment. It does. But it makes them only when they are liquid assets—quickly realizable.

Every bank manager should explain this fact to his customers—explain it thoroughly, yet tactfully. The Bank is always glad to aid in business expansion—within the strict limits of a Bank's legitimate activities.

That is one phase of this question you must always be prepared to face. Another is this:—

When a man comes to you for a loan to help him increase his manufacturing facilities, he comes to put a business proposition up to your business knowledge and judgment.

If he talks machinery, you should be prepared to talk intelligently on that subject. He will be enthusiastic. You should be able to appreciate his enthusiasm. He will talk production and profits. You should be able to analyze production and profits.

There is no doubt that many hare-brained schemes and ideas are presented to bank managers. Use your native intelligence and the tact your training has given you to turn down these business freaks as courteously and gentle as you can.

But when a real business proposition comes onto your desk, examine it in a real business-like manner.

New equipment may increase a factory's production many-fold. But will it increase it beyond the selling facilities of the concern? Production should follow demand hand and foot —but it should never outstrip it. Equipment costly enough to require a loan is too costly to be allowed to lie idle.

The deeper you go into a manufacturer's problems, the more you learn about business—the more you learn about Banking.

The customer who is enterprising enough to want new machinery and larger manufacturing facilities is a good customer to have.

Straighten his loan problem on the best basis you can—before sending in your recommendation.

But always remember that loans MUST be liquid assets.

NEW RECORD MADE BY BANQUE PROVINCIALE

Preliminary Statement For Eighteen Months is Very Satisfactory

The preliminary figures issued this week by the Banque Provinciale, which, as a result of the change in the fiscal year will cover the period of 18 months from Jan. 1, 1918, to June 30, 1919, will establish a new record for this growing institution. The net profits amounted to $434,594, compared with $207,000 in the twelve months of 1917, or at the rate of $310,500 for the 12 months, an increase over 1917 of nearly 50 per cent. Assets have reached $31,693,000, an increase of some $10,000,000. The quick assets of $22,535,000 include Dominion Government and British and foreign securities of over $8,200,000. while all long and short loans in Canada are $4,240,000. The liabilities to the public amount to $28,594,000. The reserve fund, with the addition of $250,000 this past year, now amounts to $1,000,000, or 50 per cent. of the new paid-up capital of $2,000,000, which was doubled during the year from the previous $1,000,000. The annual meeting has been called for August 13.

IT CURED HIM

Washington Experience Alters Piez' Views on Government Ownership

Charles Piez, former director-general of the Government's Emergency Fleet Corporation, in an address before the Illinois Manufacturers' Association in Chicago last week, declared he was strongly opposed to Government ownership

"I may as well confess at the beginning," says Mr. Piez, "that if I ever had even embryonic leanings toward Government ownership or operation I am completely and permanently cured, as any man must be who has any experience at Washington. I subscribe, therefore, heartily to Mr. Hurley's private ownership and private operation principles. But I am not certain that immediate sale can be effected, for the prompt disposition of the entire fleet can only be made at ruinous sacrifices. The fleet should be disposed of in toto, for unless that is done private shippers will buy the cream of the fleet and the Government will be left to operate an ill-assorted and unprofitable remainder."

In his suggestion that the Government operate the merchant marine fleet temporarily, Mr. Piez took issue with Edward N. Hurley, head of the Shipping Board, who in a recent speech went all the way against Government control of the merchant marine at any time after peace is declared.

The association accepted the invitation from Mr. Hurley to send a committee to Washington to counsel with the Government as to the best methods of solving the merchant marine problem.

The liquidator of the Dominion Permanent Loan Corporation is endeavoring to sell the Kettle Valley and Spokane and British Columbia Railway, in which a large part of the funds of the corporation were sunk. Proceedings against the estates of former directors are also likely to be taken, although it is doubtful if action will lie, owing to legal technicalities.

Brompton Pulp & Paper Co.

Limited

Mills at

East Angus and Bromptonville, P.Q.

Montreal, July 3rd, 1919.

To the Shareholders:

Your directors have pleasure in submitting Profit and Loss Statement for the six months ending April 30th, 1919.

Gross Profits	$517,355
Less Salaries, General Expense and Legal Expenses	50,461
	466,894
Less interest on Bonds and Bank Loans	53,776
Net profit for half year	413,118
Preferred dividends	70,000
	343,118
Common dividends	175,000
Carried forward	$168,118

The period, October, 1918 to April 30th, 1919, included the signing of the armistice and the consequent dislocation of trade and industry. This was felt severely in all lines of the pulp and paper products, with the exception of newsprint paper, the demand for which was the first to recover from the effects of the changed world position. Readjustment to a peace basis in the market for the other pulp and paper products has been slower and it was only in the last two months of the period that trade approached a normal condition.

Under the circumstances the earnings statement showing as it does the common dividend earned nearly twice over, may be considered a satisfactory indication of the Company's earning power under adverse conditions. The results were due largely to the diversified nature of the company's activities and the fact that you now have a market for practically all of your partly-finished products within the company itself, the greater part of your total output being finished product.

Your directors are glad to report that the last month of the half year and the two months which have elapsed since have seen a revival in the demand for all lines which has resulted in a considerably improved rate of monthly earnings over that for the half year under review.

As the scope of your Company's operations has not been made known to the shareholders at large since the acquisition of the Groveton and Claremont properties we give below an outline showing details of output which you doubtless desire to know.

PLANT	ACTUAL OUTPUT	
Brompton	Groundwood	45,000 tons
East Angus	Groundwood	15,000 "
	Kraft Pulp	27,000 "
	Newsprint Paper	34,000 "
	Kraft Paper	9,000 "
	Box Board	15,000 "
Groveton, N.H.	Unbleached Sulphite	25,000 "
	Kraft and Bond Papers	24,000 "
Claremont, N.H.	Kraft and Bond Papers	18,000 "
Total Pulp and Paper Production		212,000 "
Lumber Production at East Angus and Groveton		12,000,000 ft.

The disposal of these products to the Company and to the outside market is as follows:

	Total Produced	To Company	Excess for Sale
Groundwood	60,000	45,000	15,000
Unbleached Sulphite	25,000	17,000	8,000
Kraft Pulp	27,000	27,000	......
Box Board	15,000	......	15,000
Kraft and Bond Papers	51,000	......	51,000
Newsprint Paper	34,000	......	34,000
Total Pulp and Paper	212,000	89,000	123,000
Lumber	12,000,000 ft.		12,000,000 ft.

This production in excess tonnage for sale ranks the Company among the five largest in this country and gives it probably the most varied output.

These figures also indicate that the Company's total bonded debt is comparatively inconsiderable in proportion to its output and that the total capitalization per ton is somewhat below the average of that of the larger mills of this country.

In the output of newsprint is included the new paper machine installed at East Angus which has been put in operation since the end of the half year period, adding to future earnings an output of 17,000 tons per annum.

Respectfully submitted,

F. N. McCREA,
President.

Brompton Pulp & Paper Company

Limited

East Angus, Que.

PROFIT AND LOSS STATEMENT FOR HALF YEAR ENDING APRIL 30th, 1919

By Gross Profits as per Manufacturing Statements of Pulp Mills, Paper Mills, and Saw Mills			$471,907.95
By Cash Discounts on Purchases and Exchange on U.S. Funds.			22,237.82
By Interest from Investments			23,209.89
Dr.			$517,355.66
To Salaries, Management and Administration	25,050.00		
General Expense and Legal Expenses	15,591.27		
Sales and Traffic Department	2,443.93		
Paid R. A. Pringle (a/c Fort Francis Difference).	7,375.80		
			50,461.00
			$466,894.66
Interest on Bonds and Loans			53,776.27
Net Profit for Half Year			$413,118.39
Deduct:—			
Dividend No. 9 on Comm. Stock—Paid Feb. 7, 1919	$87,500		
Dividend No. 10 on Com. Stock—Payable May 7, 1919	87,500		
		$175,000	
Dividend No. 8 on Pref. Stock—Paid Feb. 7, 1919	35,000		
Dividend No. 9 on Pref. Stock—Payable May 7, 1919	35,000		
		70,000	
			245,000.00
Balance			$168,118.39

THE FINANCIAL POST

President - - - - - JOHN BAYNE MACLEAN
Manager - - - - - - GORDON RUTLEDGE
Editor - - - - - - - - J. W. TYSON

A weekly newspaper, presenting in a popular manner reliable information respecting investments and financial affairs in Canada.

No paid advertising, other than annual reports or official notices of corporations, will be inserted in the news columns unless marked "Advertisements."

Advertising matter is investigated before publication, and none of known questionable character is accepted. Acceptance of advertising will not deter the editorial department from making such comments as the situation may suggest.

No material from news bureau sources submitted for editorial purposes will be published, and no such bureau or individual should be paid any consideration or given any credit for the insertion or inspiration of any item.

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TORONTO, JULY 19, 1919

DISCRIMINATING AGAINST CANADA

CANADA has a legitimate cause of complaint against the British Government over the manner in which Canadian shipping has been dealt with. As has been pointed out in both the House and the Senate this session, the attitude assumed by the British Controller of Shipping and the British Government officials generally is one which seems to betoken a pretty shrewd regard for the interests of the trade of Great Britain, and indifference for that of Canada.

While it is true, as the Department of Marine at Ottawa points out, that "no Canadian ships are involved at all," this is true only technically, because all the C.P.R. ships are concerned, and although they are not registered in Canada, they are Canadian shipping in every sense.

Our exporters declare that there is a pronounced shortage of shipping to carry Canadian goods abroad. We have to look after our own interests just as closely and exclusively as the British Government looks after those of Great Britain. We know that all trade is selfish, and certainly British traders have never been free from the quality.

BOUND TO HAVE A VICTIM

DR. JACKMAN, of the University of Toronto, who was appointed by the Cost of Living Committee to do some special investigating, says that while he has found a good deal of combination in Canadian industry, its purpose in nearly every case has been "protective and not predatory."

This does not satisfy the Toronto *Globe*; it is bound to have a verdict of "guilty," no matter what the evidence may be. "The combinations for 'protective purposes' to which Dr. Jackman refers," says the *Globe*, "can mean only higher prices for consumers than those which would prevail otherwise."

That was certainly not what the parliamentary committee found. The evidence given before them was to the effect that it was the large rather than the small corporations that produced food most cheaply. The food corporation which has got more hard knocks than any other—the William Davies Company—sells more cheaply than the "local butcher." Its margin on turnover is infinitesimal—although its profits have amounted to a large sum because it has done a large business.

The attitude of the *Globe* appears to be that the people demand a victim, and one must be released unto them. That may be popular stuff, but is it honest?

WHAT PASSENGERS PAY FOR

FOR some time to come there will probably be a noticeable improvement in the department of the conductors on the Erie line. One of them has just received a bequest of fifteen thousand dollars from a regular patron, "as a mark of appreciation for his kindly treatment of me and other passengers when he had no personal interest in us beyond his official duties."

Presumably, passengers on railway trains and other patrons of public utility companies might reasonably expect politeness; that they rarely get it is common knowledge, accentuated by the attention which this bequest to a polite conductor has attracted.

The lucky conductor's views are interesting, and worthy of being commended to such officials everywhere. "I try to make every passenger feel that I represent the railroad company," he says, "and that the company has a personal interest in his safety and comfort, the service not ending with the sale of a ticket and transportation to destination. I try to make them feel that they are getting more than they have paid for, and that the company is willing to give more than it received."

This is precisely the doctrine that THE FINANCIAL POST has been preaching in season and out of season—the imperative necessity of public service corporations doing all in their power to render efficient and courteous service to the public. Allowing for those exceptions which invariably are to be found in all big organizations, the attitude of the employee generally reflects the attitude of the management, so that, if a public service corporation makes up its mind to conciliate and cultivate public opinion through the medium of its employees, it can do so. A great deal of the hostility of the public towards privately owned utilities is due to the adoption of high-handed methods, and nothing could better advance the interests of both corporations and the public than the encouragement of just such courteous methods as are exemplified in the case of the Erie conductor.

KEEPING THE PUBLIC INFORMED

FOR years past, and more especially of late when the financial operations of industries have aroused so much misconception and distrust and often resentment in the minds of the public, THE FINANCIAL POST has urged upon companies that have dealings with the public as public utilities, or as manufacturers or distributors of the necessities of life, or other commodities that enter largely into public use, to keep not only their shareholders, but the public at large informed as to conditions connected with their own industry. The United States Steel Company and the Canadian Pacific Railway Company were cited as instances where the public were given an opportunity to get an intelligent grasp of the affairs of these great institutions.

We desire to congratulate the Brompton Pulp & Paper Company on the informing character of the report just issued, covering the six months' operations for the period ending April 30, 1919. This semi-annual report is not only helpful in breaking in upon the twelve months' veil of secrecy that ordinarily is allowed to shroud the great majority of Canadian concerns, even where the public hold the preponderating interest. It provides an up-to-date basis to the investors in the securities of the company, and incidentally is serviceable to investors in similar industries for the insight it gives into general conditions in the pulp and paper industry. It further makes it more difficult to those who might attempt to manipulate the stock to get away with any fanciful tales that fall down when the truth comes out—after they themselves have "cashed in." And, most valuable of all perhaps, this form of publicity induces a spirit of confidence in the mind of the investor and the public at large, which can hardly be overestimated in times like the present.

THE FINANCIAL POST hopes that many more executives will follow the example of F. N. McCrae and his fellow-directors.

THE FATAL SPIRAL

ALL over Canada there are strikes and rumors of strikes. There is not an industrial centre of any size west of Montreal where there has not been labor trouble. It reached its maximum in Winnipeg, where only the greatest firmness on the part of the Dominion and civic authorities prevented the raising of the red flag—another attempt to establish on the banks of the Red River an independent state and an attempt fraught with far more serious menace than that of Louis Riel.

Many of the disturbances appear to be merely contagious cases of strike fever, where neither the rate of wages nor the conditions of employment warrant any such extreme measure. The amount of wealth lost to the strikers individually and the country as a whole during the past two months through lost time due to strikes would run into a fabulous sum; and this at a time when Canada should be straining every nerve to keep up with the race. Even when successful, protracted strikes are always of doubtful benefit to the striker. This and all other sorts of economic foolishness merely tends to push up the cost of living, which, in turn, is the chief excuse given by labor for the feeling of unrest.

It is this endless chain which J. J. Hill once called by another name: "The Fatal Spiral." He said we were in the position of people mounting a spiral staircase, who, when they are up to a certain height, become dizzy and topple over. Increase of wages is followed by increase of rates for freight among transportation companies, and of commodities by manufacturers. The public—the consumer—pays it all eventually; and when the wage earner begins to pay, his immediate remedy is—more wages. And so the endless chain, the fatal spiral, continues.

During the month of April this year, there were 111,083 days lost as the result of strikes. The figures for May and June are not yet available, but must exceed the above very greatly. Almost all the strikes recorded have been for shorter hours and higher wages. That is, increased cost of production; which is, in turn, increased cost of living. There is no one whom the fatal spiral affects more certainly than the workingman himself.

The suggestion was made in Parliament the other day that the only remedy was an immediate drop in wages, when commodities would soon follow. A far less arbitrary way would be a drop in the price of wheat, which is the nearest we can get to a basic commodity. But this brings up the point as to the curtailment of production.

A MATTER FOR CONGRATULATION

WHATEVER criticism has been heard in various quarters in reference to the profits made on the enormous business of $23,000,000 which the Dominion Textile Company built up in the past year, with the help of export orders, the plans for expansion which are announced in this issue can be matter only for congratulation to the company, and of solid satisfaction for all Canadians. That the company proposes to double its present capacity to an equipment of 20,000 looms, means in the main that a Canadian staple industry has so built up the quality of its output and improved its equipment and capacity that it is in a position not only to handle but to secure in the face of keen competition business that heretofore has gone to outside mills. In the case of the new St. Lambert mill, cotton fabrics will be turned out that cannot be produced at the other mills of the company, through the installation of the finest machinery. By this means the company will be enabled to compete for foreign trade as well, and help materially to continue our exports in advance of imports. And the addition to the pay roll of 5,000 employees will be a very considerable item in developing the prosperity of this country.

EDITORIAL NOTE

A REPRESENTATIVE deputation recently waited on Lord Earnle, at the Board of Agriculture in Birmingham, to urge that the embargo on Canadian store cattle should be at once removed. Lord Earnle, in reply, admitted that the allegation of disease upon which the embargo was founded had been conclusively proved not to exist, for Canadian herds were the healthiest in the world, and he agreed that the stigma placed upon Canadian cattle should be removed. The difficulty he was in was that, even if the Board of Agriculture got the power to admit Canadian store cattle, it would be unable to exercise it, because the scarcity of labor was rapidly causing land formerly under cultivation to be left uncultivated. THE POST has always taken the view that the embargo on store cattle is an advantage to Canada in that we should complete the manufacture—that is the feeding—in Canada.

HOW STICK-TO-ITIVENESS WON OUT FOR E. G. ACHESON

Story of a Penniless Inventor Who, Though Defeated Many Times, Yet Never Gave In and Became a Noted Captain of Industry

By B. C. FORBES.
In "Forbes Magazine."

A poorly-educated youth told a famous Pittsburgh scientist that he wanted to learn industrial chemistry. 'You would only waste your time; there is nothing in it. Drop it," was the discouraging reply.

Undaunted, the young man later went to New York, tramped up and down Broadway, into side streets and along avenues, knocking in vain for admittance to some establishment where he could follow his bent. Nobody wanted him at any salary, or even at no salary. To-day he is bracketed in chemical circles with Faraday and Crookes.

He has invented, or created, an absolutely new substance now used throughout the whole world, his sales of it reaching millions of dollars a year.

Another entirely new material created by him is being used to the extent of almost 50,000,000 pounds a year, notwithstanding that its price is in the neighborhood of only $240 a ton contrasted with the price of $880,000 a ton paid for it when first created.

By another stroke of his wizardry he produced artificially a material which was so scarce that specimens of it were found as a rule only in museums, its cost being $2,500 a pound. It now is in wide demand at ten or twelve cents a pound.

He has plants of his own on the Continent of Europe, in Britain and in America.

The tax gatherer this year will tap him on the shoulder and ask him to hand over perhaps a million dollars.

Without his inventions, the General Electric Company, the Westinghouse Electric Company and similar enterprises manufacturing tungsten lamps would have had to close down during the war.

Without one of his inventions this country could not have produced poisonous gases to outdo the Germans.

One of the first German aeroplanes shot down in England was found to be using one of the substances brought into being by him, the Huns having captured his Belgium plant and installed his German agents to run it.

A Modern Wizard

He can take a speck of soot and split it into approximately a billion particles —every one of which, it is astounding to the layman to learn, although utterly invisible to the naked eye, can be seen to be constantly moving, apparently alive, when examined under an ultra miscroscope.

He can suspend these particles permanently in liquids, they being so small as to defy the law of gravity.

His magical particles have enabled him to produce a lubricant far superior to any oil that ever came from a refinery.

This man is Edward G. Acheson, of Acheson-Graphite, Carborundum, Oildag, Aquadag, Silixicon, and Egyptianized Clay fame, chemist, scientist, inventor, manufacturer, recipient of titles, honors and tribute on both sides of the Atlantic.

Romance?

Dr. Acheson's life story is a fact-romance not evolved in a novelist's brain, but romance formed of reality.

Why He Has Succeeded

When a boy he heard of the Rumford Medal, awarded by the American Academy of Arts and Sciences for the most notable contribution to the science of heat or light, and he said to himself, "I mean to win the Rumford Medal some day." Years passed. He stood before a great gathering of the Academy, told the assembled scientists of his boyhood ambition, and, pointing to what he held in his hand, added: "And now you have just handed me the Rumford Medal."

The secret of this meagre-schooled youth?

Stick-to-itiveness, never-say-dieness. Incessant industry. Refusal to remain defeated. Physical, mental and visual alertness; constant eagerness to discern effects and to ascertain causes. Patience infinite. An insatiable desire to accomplish something of benefit to the world.

"If your purpose is a worthy one it is possible of accomplishment." That is the guiding and sustaining maximum of Dr. Acheson. He believes that the unseen moving powers of the universe are on the side of right and that, "there is a divinity that shapes our ends, rough hew them as we will." The accomplishing of a purpose, however, may, usually does, cost sacrifice.

"If the young man could only assimilate very early in his life the fact that merely to live and eat and drink and sleep and then die is not enough, but that he must rob himself of many of the pleasures usually taken up by young men, if he means to make his life of the highest possible use to the world, he would set his foot on the pathway to accomplish something worth while. There is no harm in billiards or pool or in dancing, baseball or card playing or any one of the scores of different diversions and recreations open to young men. The natural inclination usually is to devote a large part of the leisure hours of young manhood to such pleasures. But the youth who is really earnest in his ambition to do something worth-while will discipline himself to resist such temptations during his early formative years, for the whole fate of a man is largely determined by how he utilizes his plastic years. He may be restricted by circumstances, by environment, by family ties in his selection of his daily work, but every young man, particularly nowadays, has many hours that he can call his own, and it is how he chooses to use these hours that counts most and tells most.

"Why should I forego a generous round of amusement and pleasure and recreation? What's the use? What is there in it? What difference does it make in the end? There are no rewards, are there to compensate a fellow for denying himself a pretty good time when he is young? These questions, very naturally and pardonably may be asked—indeed, they are often asked—by young men. Now, as a matter of fact, the rewards are well worth-while. There are three main rewards for meritorious achievement, namely, money, the appreciation of one's fellow men, and the satisfaction that comes from the sense of having done one's best to advance the well-being of your fellow-men.

"The chief value of the financial reward consists in enabling a man to build and develop and expand and multiply his activities and thus serve a greater and greater number of his fellow-men. I say 'serve' because every legitimate form of activity is a form of service. Therefore, money honorably earned in a useful pursuit, is to be regarded as a reward, since it enables you to enlarge your usefulness.

Patience Important Asset

"On this point may I say that I believe every youth should strive, even in his boyhood days, to set up for himself some goal. He should try early to fix for himself a set purpose. He should endeavor to map out a career. His guiding principle—this is not preaching; it is sound business sense—should be, not how can I make the most money, but what is the greatest service I can render the world, how can I accomplish most for the benefit of my fellow-men? If a young man's dominating thought is how he can put most into the world, he will, in time, by adhering unfalteringly to his worthy purpose, and refusing to give up no matter how often failure overtakes him, get out of the world probably far more than he ever dreamed. If the putting in part is attended to with all the energy and enthusiasm and strength and determination he can muster, the taking-out part will take care of itself. In other words, if he tills, sows and cultivates the ground intelligently, industriously and with everlasting patience, in time the right kind of a crop will be raised.

"The patience part is tremendously important. History records few great careers which were not marked in their earlier stages by inordinate, almost superhuman difficulties and trials, calling for immeasurable courage and faith. Every victory costs."

The youth Acheson used to lie awake at night pondering what he could do for the world. Something told him that his field and forte lay in industrial chemistry, in applying science to accomplishing useful results. And as showing the stuff of which he was made, it should be recorded that he gave up a salary of $2,000 a year for a weekly wage of $7.50 in order that he might adhere to the principle he had laid down for himself. Later on he refused much larger salaries because the duties would take him away from experimentation, from expanding his knowledge, from following his Holy Grail. Having resolved to steer his course by the Star of Usefulness, he refused to be allured away by mere money.

Yet, the life stories of successful Americans contain few which parallel the discouragements, the disappointments, the hardships, both physical and financial, Edward Goodrich Acheson encountered not only as a youth, but even through his thirties and into his forties. Let us now trace briefly his checkered career.

Humble enough was the birthplace, in 1856, of Edward G. Acheson—at the back of the parental grocery store at Washington, Pa., where his father, of an ancient Scottish family that came to America via Ireland, had been raised. There was little money in storekeeping, and the Achesons moved to Monticello, Pa., where the father was made manager of a furnace, in which an uncle was interested. A crude school was conducted by a neighboring farmer, and after desultory tuition there, Edward proceeded to a more pretentious scholastic institution. Before he was sixteen he had formed some conception of what he wanted to do and be. His ability as a mathematician won him local fame when he calculated with exactitude what length of cable would be required for a new ferry rope across a river.

He had visions of a well-rounded college education, when crash! The memorable panic of 1873 hit the Achesons, as it hit thousands of others, and though he had had only three years' real schooling, Edward, now over sixteen, was called home to earn his living.

He was installed as timekeeper at the furnace. But his mind and heart reached out to things mathematical and mechanical. His father pointed out to him the need of an improved means of boring holes for blasting, and Edward set to work with such effect that before his seventeenth birthday the United States Patent Office contained an application for a patent on "Improvements in Process of Mining Coal, Ore, Clay, etc., etc." The machine worked, but was cumbersome to handle and did not, therefore, cause any furore. Yet years later, he ran across his invention doing efficient work as a drilling machine in a machine shop. His father died before the panic had run its course and his wife and six children were left in poor circumstances. The new and strange and weird thing known as electricity fascinated this young mechanic of a mathematical and inventive turn of mind. He rigged up galvanic batteries, silver-plated cheap yellow metal watches, and sold them at a modest profit.

Fate now buffeted him from pillar to post, from clerking in a country store to assisting a railway construction gang. While on this last job he met a man who was interested in a patented apparatus for regulating the supply of water for steam boilers and for giving an alarm by whistle when the water became dangerously low in the boiler. Young Acheson was enthusiastic over it. He induced a relative to join him in buying the right to the patent for Allegheny County, Pa., for a thousand dollars, the relative lending Edward his half. Full of dreams the youth rented an upstairs room in Pittsburgh and on the glass door painted prominently the name of the firm, Acheson & Allison. After infinite work, worry and discouragement, the total sales reached only two machines, he fell into arrears at the cheap restaurant where he took his extremely frugal meals, and was finally forced to rub the bright sign off the door, the contents of the offce-bedroom going to the restaurant keeper.

A stool behind a ticket window on the Allegheny Valley Railroad was his next post. Here his already acute powers of observation enabled him to note intelligently what was going on in the then active petroleum developments. All this time he was the opposite of idle. Early and late he applied himself to mathematics, to engineering problems and to the study of railroading. When only twenty-one he moved from his ticket-selling stool to the position of resident engineer of the division of a narrow gauge railroad then under construction from Bradford, Pa., to Olean, N.Y. The life was rough but healthy. His boarding-house and headquarters were in a forest shanty; his bed consisted of a large box filled with straw; on winter mornings he often found an extra cover over his bed—a cover of snow—all ablutions had to be done outside, often after a thick coat of ice had been broken to get at the water; and the food was not of Delmonico variety.

The railroad building over, he got a job as tank gauger with a Standard Oil subsidiary. The only man who could work out, from the measurements supplied, the exact contents of a tank was the superintendent, but Ed. Acheson decided that he was mathematician enough and had industry enough not only to figure out the capacity of one or a few tanks, but to compile a sort of ready reckoner, a set of tables from which the capacity of any size or shape or construction of tank could be rapidly and easily computed. He went to New York, had a very strong leather-covered book of 600 pages made, with this printed title, "Tank Gaugers' Pocket Tables, Circumference and Diameter of Circles, Barrels per Inch, Deadwood Tables, etc., E. G. Acheson, Bradford, Pa., August, 1887." I have seen this unique book. It contains a staggering mass of figures representing incalculable labor. When the superintendent discovered what his ambitious lieutenant was doing he promptly discharged him!

Undismayed by this condemnable exhibition of jealousy, Acheson quickly found another engineering post, but his dismissal and the circumstances had come to the ears of higher-ups in the Standard Oil subsidiary and he was reinstated—on condition, however, that he turn over to the narrow-minded superintendent the offending volume while in the company's employ. But justice was not asleep; some time later the superintendent's figuring was found inaccurate when compared with Acheson's and this time it was the superintendent who was dismissed.

Continued in next issue.

PERSONALS

F. R. LALOR, M.P., for Haldimand, has been elected a director of the Chartered Trust & Executor Co. of Toronto. Mr. Lalor is President of the Monarch Knitting Co., and a former President of the Dominion Canners Association.

THOMAS A. ANDERSON, of Winnipeg, whose death occurred this week at his summer home at the Lake of the Woods, was head of one of Western Canada's largest wholesale hardware establishments, — Merrick - Anderson, Limited. He was born at Levis, Que., 64 years ago, went West in the early eighties and established the hardware business in 1882. He stood high in the business community of Winnipeg.

A. W. AUSTIN, who shares with Sir Augustus Nanton the distinction of being appointed a vice-president of the Dominion Bank, is perhaps best known in financial circles as head of the Consumers' Gas Co., of Toronto. He is a Torontonian by birth, but has had interests in other parts of the country Among his successful ventures was the formation of the Lambton Golf & Country Club, which was the first golf club in Toronto to be established on the share plan. Its success has reflected credit on his ability, both as organizer and financier.

THOMAS BRADSHAW, Toronto's finance commissioner, has had the compliment paid him of being suggested as Dominion Minister of Finance, though there is apparently no foundation for the report that the position was offered him. There is no doubt that of late years Sir Thomas White has relied on Mr. Bradshaw for a good deal of assistance in one way or another, notably in the licensing of stock and bond issues under the war-time regulations and his friends believe that in his hands the finances of the country would be efficiently handled. However, Ottawa's plans seem to be pretty well perfected for the succession to the vacant portfolio.

SIR AUGUSTUS NANTON, the Winnipeg financier, who has been made one of the vice-presidents of the Dominion Bank, is the senior Winnipeg partner in the firm of Osler, Hammond & Nanton, which, of course, is closely associated with the firm of Osler & Hammond in Toronto. Sir Augustus went West away back in 1883, when he was just twenty-three years of age, opening the office there of which he has ever since been in charge. As Winnipeg has grown, so have his interests, and to-day finds him a director of a long string of important companies, including among others the C.P.R., Hudson's Bay Co., Great-West Life, Ogilvie Flour and Cockshutt Plow Co. Sir Augustus is personally very popular both in Winnipeg and the East.

W. H. MOORE, whose active association through a number of years with the various Mackenzie & Mann interests, has brought him into considerable prominence, has been honored by Laval University with the degree of Doctor of Letters. This is an unusual distinction for an Ontario man, but Mr. Moore has won the favor of his French-Canadian compatriots through the highly conciliatory attitude he has taken in his recent book, "The Clash," in which he deals with the relations between the two races in Canada. Mr. Moore abundantly merits the degree which the big French-Canadian institution has conferred on him. There are few better read men in Canada and few men who can apply their knowledge of books in a more pleasing way, either in writing or in conversation, than this busy man of affairs.

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FRANK A. VANDERLIP CONTINUES HIS INTIMATE PEN PICTURE OF THE AWFUL EFFECTS OF WAR ON EUROPE

Continued from page 1.

families. The need is so great that the domestic situation of labor has become a national scandal, recognized by Parliament and employers, and one of the most important national movements in England to-day is connected with the housing problem. There is a programme working through national aid toward the immediate building of five hundred thousand houses. It is admitted on every hand that the deterioration and crowding in houses has gone to a shocking point—has gone so far that nothing short of national aid can rescue English labor from an intolerable position.

I have gone into this situation rather fully because I believe it leads to a conclusion of enormous importance in ascertaining the future position of British industry in international competition. The differential that England has had in the last generation, compared with America, and I believe in some degree with Germany, has been the differential of a wage scale that averaged lower than the point at which the physical efficiency of labor could be maintained.

In order successfully to compete in neutral markets British industry has made a red ink overdraft on the future, an overdraft on the physique of her citizens, an overdraft that has consumed her house facilities; that overdraft must now be made good, at the expense of the nation. At the direct expense of industry a minimum wage must be paid, either voluntarily or such wage will be fixed by law. Pretty much all labor opinion is on the side of a legal enactment in regard to a minimum wage, and a considerable body of employers have also reached the same conclusion.

This means that the differential which British industry has had is for the most part gone. There can be no more overdrafts on the future of this character. If there were not hope of getting increased efficiency in production the outlook for British industry on this account alone would be dark, for with the differential of low wages lost England's ability to compete, particularly with America, will be seriously handicapped.

European Market is Essential

The factors which I have been discussing have their roots in conditions which existed prior to the war.

There now comes another great factor, that for a time at least will be of tremendous importance to the British industrial situation. I have said that all England was a great workshop dependent upon outside markets to consume the products of her industries in order that a margin might be earned to enable her to buy food. The great customer of England was the continent of Europe, and English life has been organized in such a way that the market for her industrial products in Europe is essential, if she is to earn the margin that she requires to pay for her food imports from other countries. There has now come an almost inconceivable disorganization of her European market. In another chapter I have said something of continental industry, of the breakdown of the continental domestic transportation system and of the chaos in currencies and credit. These disorganizing factors thrown into the nicely balanced commercial and industrial mechanism have made a wreck which, compared with any material injury directly caused by the war, makes the after war hurt more serious than the direct harm of shell and bomb.

It is essential to the continuation of British industrial life that she regain her European market. That means that the demand in these markets must be made effective by giving buyers the credits that they must have to restart the commercial cycle. That cannot be effectively done until the industries of Europe are themselves restarted and idle hands put to work so that Europe may help itself back to a normal industrial life. There can be no permanent international trade unless both sides to the bargain have something to sell.

Europe cannot buy from England unless Europe can produce something to sell to the nations outside of Europe. England's ability to regain European markets, therefore, hinges upon the restarting of European industry. Unless that can be speedily done and a Continental demand for English goods re-established England's industrial condition becomes critical. Indeed, one of her responsible ministers told me that unless her European market can be re-established the problem of the Government will be to export five or six million of English citizens to the colonies and elsewhere where they will be close to the food supply, because the English industrial machine is set up now on a basis that requires something like the whole demand from the Continental markets in order that enough may be earned to buy the food that the English must have to live.

Our own position in international industrial markets will be in large measure influenced by England's ability to continue successfully to compete in those markets.

There are other important factors affecting the future of English industry, some of which are imponderable, for they have to do with character and with the way men's minds operate. The time that was at my disposal to inquire into this important question of the attitude of mind of labor leaders, of employers and of Government officials, was brief; but I encountered such marked courtesy on the part of the Government, which went to great trouble to arrange a series of interviews with Government ministers, union labor leaders, employers and others, that I was able to see many important leaders in a few days. In carrying out this programme of interviews there was such complete co-operation, such frank expressions of views, that I feel extraordinarily indebted to the officials who arranged the interviews and to the men who gave up their time to them. Some of these men travelled long distances to London at the request of the Government to keep these appointments. It made me wonder if we at home would be as courteous under similar circumstances to an unofficial visitor of an inquiring turn of mind.

Finds Transportation Paralyzed

Among the people whom I met and who gave me ample time for a full discussion were the Minister of Labor, Sir Robert Horne; the Minister of Reconstruction, Sir Auckland Geddes; the Minister of Food, the Right Hon. George H. Roberts; Lord Milner, Lord Leverhulme, Mr. Rowntree, the Right Hon. Arthur Henderson, Prof. G. D. H. Cole, representing the radical wing of the Labor party; the Right Hon. J. H. Whitley, author of the so-called "Whitley System" of Industrial Councils; Mr. A. Taylor of the Federal Trades Unions; Commander J. B. Adams, general manager of the Employment Exchanges, and many others.

After three days fully given up to conversations with these men. I feel entitled to say something on the subject of the English attitude toward labor questions, even though one might smile at the assurance of doing that after so brief a study, were not the sources of information so distinguished.

I had had a fortnight of observation of labor conditions beginning February 1. At that time strikes in the tube and on the District Railway had paralyzed the transportation system of London. The streets were crowded with army lorries packed to capacity with standing passengers. Coal was so scarce that no fires were permitted in bedrooms and we suffered through a fortnight of intolerable fog and chill. The electric employees were threatening to cut off the current from London and it was momentarily expected that they would act, so every one was furnished with candles to be ready for the emergency. Strikes had become so turbulent in character that military tanks had been ordered to Glasgow and were ponderously patrolling the streets. Five hundred thousand men, represented by the railway and transportation workers' union, were threatening an immediate strike unless differences concerning hours were adjusted.

The union that embraced the entire labor force engaged in coal mining had grown weary of waiting for an answer from the Government, which is operating the mines, to its demand for a six hour day at an increased daily wage. The temper at that date was uncompromising and hostile in the extreme. Among business and financial men I encountered but one opinion, and that was that England was in for such a fight with labor as she had never known and the outcome was anything but clear and had in it possibilities of revolutionary import.

More Than a Million Idle

Returning to London on the first day of May I found the situation as completely changed as it would be possible to imagine. The great fundamental common sense of the English people had asserted itself. The intelligence of the working classes and the labor attitude of the Government, the public and the employers, had united in at least a temporary solution, which apparently removes any immediate

Continued on page 15.

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INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST. Many questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose 3 cents in postage stamps to cover postage on answers direct.

RUSSELL MOTOR

H. E. S., Oxford, England: "I should be much obliged if you would kindly inform me of the present condition and prospects of the Russell Motor Co."

The Russell Motor Car Co. is now practically a holding company, with large interests in the Willys-Overland Co. of Canada, makers for Canada and the export trade of Willys-Overland automobiles. The company also owns outright the Machine and Stamping Co., Limited, and the Canada Cycle & Motor Co., Limited, and is reported to have plans for the establishment of other industries. The Machine & Stamping Co., Limited, will manufacture several of the parts required by the Willys-Overland Co., while the Cycle & Motor Co. continues the manufacture of bicycles and skates, in which it has built up a large domestic and export trade. The Russell Company did well with its munitions business and built up a strong reserve, and as its future depends to a large extent on the automobile industry, which gives promise of being very profitable, it may be said that the company's prospects are good.

AMES-HOLDEN TIRE BONDS

Inquirer, St. John, N.B.: "Will you kindly give me your opinion of the Ames Superior Corporation stock? Do you regard them as a safe investment?"

These bonds are issued, of course, on behalf of a company which as yet has no tangible assets, but it is starting in a business which has proved very profitable to the other Tire companies in Canada, and the man at the head of it, T. H. Rieder, has had a successful experience as president of Canadian Consolidated Rubber Co., so that he is intimately in touch, not only with the manufacture, but with the question of distribution. There seems little doubt in business circles that this company will turn out quite successful, and that there is a wide field open for its goods. The bonds, which amount to $1,000,000, have the protection of a guarantee by Ames-Holden, McCready, Ltd., both as to interest and principal, and the price they are selling at gives a yield of 7%, and in addition, there is a bonus of 20% on the common stock. This was thought to be required as an inducement with a new company. Considering all the circumstances, we believe that it is a reasonably safe investment.

LAKE SUPERIOR CORPORATION

Inquirer, St. John, N.B.: "Will you please give me your opinion of Lake Superiod Corporation stock? Do you regard it as a safe investment?"

Conditions are so unsettled in the steel industry in general and the position of the corporation with respect to its guarantee of the bonds of the Algoma Central & Hudson Bay Railway Company, is so uncertain, that Lake Superior stock is in a decidedly speculative position at the present time. Orders for the products of the Algoma Steel Corporation have been light and give little promise of early improvement. With regard to the bond guarantee, the president of the corporation is now on his way to England to see if some mutually satisfactory arrangement may not be arrived at to relieve the corporation of the burden of the guarantee. Just what may develop is doubtful, and under all the circumstances Lake Superior stock, even at its present low level, must be regarded as a speculative proposition.

During June there were 80 strikes in Canada, involving 87,917 work-people, and resulting in a loss of about 1,445,021 working days, as compared with 84 strikes, 77,688 work-people and 893,816 working days in May, 1919; and 32 strikes, 11,888 work-people and 46,941 working days in June, 1918.

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Through Canada's Fairyland

The trip we call "Niagara-to-the-Sea" begins its thousand-mile course at the Niagara River. The sail down that great stream provides a real delight. Soon Toronto is reached—next morning the passengers awake to find their Steamer winding its way through the Thousand Islands. After these are left behind, the river takes on a new kind of beauty.
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On toward the Sea rolls the St. Lawrence—on goes the boat as far as Tadousac—then up the River Saguenay, whose canyon-like beauty reaches a climax in Capes Trinity and Eternity—frowning headlands that tower higher than the Rock of Gibraltar.

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NEWS OF THE BOND MARKET

TONE OF BOND MARKET SOMEWHAT IMPROVED

Business Still Rather Quiet But Conditions Are Steadier

DOMESTIC LOAN NEXT

Attention Gradually Swinging Around to a Consideration of the Probable Terms of Coming Flotation

After the shock which the bond market sustained through the flotation of the Dominion external loan at a price which deranged recent price levels, the market has steadied up somewhat and is now more nearly normal. Business is quiet and dealers do not look for much change from now until after the domestic loan is put out of the way.

For the present very few municipal issues have come on the market but there are a number to be tendered on within the next two or three weeks.

The Ottawa sale on Friday, particulars of which had not reached the POST before going to press, was expected to give a fair indication of the state of the market. Following it there are several interesting issues up for consideration. In the meantime it is reported that canny dealers are unloading stock, which leads to the belief that arrangements for the domestic loan are pretty well in hand, and that terms will be such as to produce an all-round lowering of prices. The shortness of recent tender lists is evidence that buying is now being very cautiously handled.

With regard to the coming loan, an interesting despatch, presumably of a semi-official character, emanates from Ottawa. It is to the effect that the loan will be taxable. The despatch reads:

"Preliminary preparations for the Dominion loan, which is to be floated in the fall, are under way. Now that the war is over, and financial conditions are more normal, it is regarded as probable that the loan will not be tax-exempt, as were its war-time predecessors. Should the Government decide to follow this course, there is little doubt that the rate of interest yield will be made quite attractive, as compared with the rate at which Victory bonds can now be bought in the open market.

"The tax exemption feature has added materially to the value of previous issues, and was, it is believed, the means of attracting a much larger volume of subscriptions than would have been otherwise obtained. During the last two years of the war, for instance, securities of Great Britain, France and other countries could be bought in New York to yield seven and eight per cent."

The allotment on the external loan was announced during the week. It was as follows:

Two-year notes—$1,000 to $5,000, inclusive, in full; $6,000 to $9,000, inclusive, 75 per cent., minimum $5,000; $10,000 to $20,000, inclusive, 50 per cent., minimum $7,000; $20,000 and up, 35 per cent., minimum $10,000.

Ten-year bonds—$100 to $1,000, inclusive, in full; $10,100 to $25,000, inclusive, 70 per cent., minimum $10,000; $25,100 to $100,000, inclusive, 50 per cent., minmum $18,000; $100,100 and up, 35 per cent., minimum $50,000.

New County Issue

Practically the only sale of the week was that of a block of $50,000 6 per cent., 25-year serial good roads debentures of the united counties of Prescott and Russell. This was awarded to Aemilius Jarvis & Co., at 105.26. A bid of 105.01 was put in by G. A. Stimson & Co., which was subsequently raised by telegram to 105.45, but the wire did not arrive in time. Following were the offers received:

Aemilius Jarvis & Co.	105.26
G. A. Stimson & Co.	105.01
Brent, Noxon & Co.	104.37
A. E. Ames & Co.	104.09
C. H. Burgess & Co.	103.07
Wood, Gundy & Co.	103.04
Bank of Nova Scotia	102.07

Ames Bought Winnipeg's

The despatch from Winnipeg two weeks ago that the city had agreed to sell a half million dollar issue of bonds to the same bond house which had purchased its previous refunding issue proves to have been incorrect. The purchasers were A. E. Ames & Co., who have been offering the bonds to their clients this week. The issue consists of 5½ per cent. coupon gold bonds, dated July 2, 1919, and due July 2, 1949. They are on offer at 102.23, at which the yield is 5.35 per cent. The long term of the issue and the excellent financial position of Winnipeg render the offering an attractive one.

Two large-sized Manitoba school district issues have been purchased recently by J. A. Thompson & Co., Winnipeg. These are Oakner Consolidated, consisting of $25,000 6¼ per cent., 20-year debentures, and Graysville, $30,000 6¼ per cent., 20-year debentures.

BIG U. S. BORROWING

For First Six Months of the Year, Large Increase Recorded

A year ago it was reported that the volume of state and municipal financing in the United States, for the first six months of 1918 was smaller than for any similar period in ten years or more. According to figures just compiled by the Daily Bond Buyer of New York, the financing by states and municipalities so far this year was more than twice the corresponding total for last year, and greater than the volume in any similar period on record with the exception of 1914 and 1915. The removal of all restrictions placed on local government financing during the war period has resulted in the greatest activity ever known with respect to the making of public improvements and apparently this movement is only commencing. In spite of the supply of new bonds coming into the market, prices are rising steadily and there is no sign of any early lessening in the demand. The outlook is for a very active and strong municipal bond market during the next year or more.

The following table, compiled by the Daily Bond Buyer, of New York, shows the sales of state and muncipal bonds for June, and for the six months' period ending June 30 for the last ten years:

1919	$ 82,083,125	$298,372,092
1918	20,523,506	133,050,826
1917	30,411,059	215,151,673
1916	47,431,102	285,498,620

NOVA SCOTIA TRAM BONDS OFFERED

One Million Three-Year Notes Being Floated to Yield a Straight Seven Per Cent.

An important offering of $1,000,000 three-year gold coupon seven per cent. notes of the Nova Scotia Tramways & Power Co. is announced this week by F. B. McCurdy & Co., Halifax and Montreal. Permission for the issue has been given by the Nova Scotia Board of Public Utilities and the bonds are being offered in the Canadian market at par and interest to yield 7 per cent. Principal and interest are payable in gold coin at the option of the bearer, either in Halifax, Montreal or New York.

The Nova Scotia Tramways & Power Co. is now operated by the firm of Stone & Webster of Boston. This firm manages and operates over 40 companies doing a similar business in the United States. Stuart Pratt, president of the company, and representative of Stone & Webster, gives the following particulars regarding the Nova Scotia Tramways & Power Company.

The company owns and operates all the street railway, electric light, power and gas properties in Halifax, and also operates the commercial lighting and power business in Dartmouth. It acquired on its incorporation all the business assets and franchises of the Halifax Electric Tramway Company, and the enterprise has been in continuous and successful operation for over 24 years.

The purpose of the present issue is to provide additional rolling stock, extensions and improvements in the present track layout and an improved car service, together with gas plant and gas main extensions and additional boiler capacity. The new issue of coupon gold notes is a direct obligation upon the company and ranks senior to the $2,078,800 6% preferred stock and $2,510,000 common stock. No mortgage bonds or debentures (except the first mortgage bonds) may be issued unless the coupon gold notes are secured in the same manner as such new issue.

BONDS GUARANTEED

Brantford Citizens Endorse By-law Giving Aid to Realty Co.

A by-law to enable the city council to guarantee the bonds of the Brantford Industrial Realty Co., received the assent of the ratepayers on Monday last, as authorized by a clause in a special act of the Ontario Legislatuse in 1914. The company was organized under the auspices of the then Board of Trade, now the Chamber of Commerce, for the purpose of erecting factory buildings to lease to manufacturers who were not prepared at the time to use their capital funds in building. While any bonds, guaranteed by the city, are outstanding, the shareholders of the realty company cannot receive dividends at a rate over six per cent. per annum. Leases of the buildings to manufacturers contain a clause giving the tenants the privilege, at stated times, to purchase the properties at cost price. The rentals are a percentage of cost, the percentage rate showing a margin over six per cent., the tenant to provide for taxes, repairs and depreciation.

COST $18,643,892 TO RUN MONTREAL IN PAST YEAR

Ordinary Revenue Was $16,648,601, or $2,000,000 Less

BALANCE $203,969

Very Heavy Loans and Maturing Issues During Year—Preliminary Statement of Finances

By Resident Representative.

MONTREAL.—An interim report was issued this week by the city comptroller of Montreal on the city's finances, and, for the second time, it is gratifying to note that the city is the possesor of a surplus, this time of $203,969. One of the chief aims of the new civic commission has been to wipe out the recurring deficits that have been running up into millions a year of late.

Until the details of the receipts and expenditures are available, however, it will not be known just how far the Commission has succeeded, or how far loans contributed to the surplus. In any case a determined effort has been made to force the city to live down to its income.

The actual disbursements for administration purposes during the year were $18,643,982, while there was expended on loans and special expenses the sum of $35,381,955. The estimates for the year had set down $4,810,292 for sinking fund; $2,655,000 for school expenses; $4,103,794 for wages and salaries of civic employees; and $1,443,390 for maintenance and general administrative expenses.

On the other hand the general revenue of the city amounted to over $16,648,601, so that there was an apparent deficit of almost $2,000,000, as between individual receipts and ordinary expenditure. This, however, was a legacy of the previous administration, and the real test of Chairman Decary and his associates will be the 1919 and 1920 statements.

The following are the general totals in so far as they are available at present:

Bal. on hand Jan. 1, 1918	....	$ 675,269.19
Receipts		
Gen. rev.	$16,648,601.76	....
Less reimbursements.	42,156.58	16,606,445.15
Borrow. and spec. rec...	....	37,100,182.73
Bank Montreal, N. Y.	1,107.20	....
Bank Montreal, London	4,477.09	5,584.29
		$54,387,481.39
Disbursements		
Exp. on administration on rev. ac.	$18,643,982.08	....
Exp. on loan ac. and spec. exp.	35,381,955.23	....
Bank Montreal, London, Eng..	29.01	....
Bank Montreal, N. Y.	157,635.85	$54,183,512.17
		$ 203,969.22
Bal. on hand Jan. 1, 1919	....	203,969.22

BONDS ON STEAMERS

In addition to the million dollar bond issue for the Bishop Navigation Co., referred to on page 1, A. E. Ames & Co. will shortly offer $300,000 bonds of the Transatlantic Co., recently formed with head offices in Montreal.

This company, which has but recently completed its financing, has an authorized issue of $1,000,000 common stock, and of this will issue $700,000.

The $300,000 bonds will be serial and will be a first charge on the assets, which include the steamer Mariska, which has been appraised by the Canadian Appraisal Co. at $880,000. This vessel has a gross tonnage of 2,500, and will sail from Atlantic ports.

The officers here too are shipping men: Chas. A. Sara, president; F. H. Markey, vice-president; D. H. E. Jones, Howard E. Jones and T. R. Enderby, directors.

Announcement was made early this week of the over-subscription of the $1,000,000 issue of 7 per cent., 20-year first mortage sinking fund bonds of the Ames-Hoiden Tire Company. These were offered first by private subscription, and a public offering followed at the beginning of this week. The sale price of the bonds was par, and 20 per cent. of common stock, but this has been reduced in offerings now to 10 per cent. of stock. The three firms concerned in the underwriting were Greenshields & Co., Nesbitt, Thomson & Co., and Thornton Davidson & Co.

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JULY FUNDS

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Our list of suggestions on request.

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FIELD OF MUNICIPAL FINANCE

TAX ON UNEARNED INCREMENT VERY DESIRABLE LEVY

Would Have a Tendency to Curb Excessive Speculation

INCOME TAX NEEDED

Business Tax Should Be Imposed on Basis of Floor Space Supplementing Income Tax

By GEORGE D. MACKIE, M.E.I.C.,
City Commissioner of Moose Jaw.
(Conclusion of address on Taxation read before Union of Saskatchewan Municipalities.)

Having given real estate the relief which it certainly requires, the urban centres should see to it that a reasonable percentage of the unearned increment on real estate due to the increase and thickening of population and ascribable in a very slight degree, if at all, to the labor or care of the owner, is appropriated to the community. There can be no doubt that the profits accruing from the sale of real estate ought to be the subject of taxation just as much as the profits from the sale of any other commodities.

In the report of the Committee on Taxation, New York, they say that "land values in a growing city tend to increase notwithstanding periods of temporary regression, and that an increment tax should be imposed on all future increases of land values for the reason that the increment tax levies a tax where taxation ought to rest, namely on those best able to pay, and that when a land owner secures an appreciable increase in value of his land through the general growth of the community, a part of it should in equity go to the community." The speaker is therefore of the opinion that, were a tax imposed on the unearned increment, it would have a tendency to curb excessive speculation in real estate and prevent a recurrence of the blight which cursed our Western Country during the last boom, and it would also materially assist in relieving the burden of taxation in the future.

Tax on Income

Turning now to the fourth source of a city's revenue, and one which affords at the present time an infinitesimal amount of a city's income, viz.—Income Tax, one is at once confronted with the fact that, while provision has been made in the City Act for the imposing of an income tax, yet the Legislature up to the present has given urban centres no adequate machinery to carry out the work of assessing and collecting such a tax. All progressive countries are working toward an income tax, for the very simple reason that it affords a basis of ability to pay. A great many people enjoy from year to year all the benefits,, privileges and services of community life without contributing a single cent, unless it may be indirectly, in the form of rent, towards the maintenance of these services, while others contribute much less than their proportionate share towards the maintenance of the cities in which they live, and accordingly the idea has gained favor of imposing on such individuals an income tax which would assure that every member of the community contributed his share to the running of his city in accordance with ability to pay and benefits received. This question is more or less bound up with the question of Business Tax, and on the principle that no man should be taxed twice, must be considered along with the subject. The City Act at present assures that where a man is assessed on land and on income, he shall only pay in addition to the amount by which his taxes on such income exceed his taxes on land, and the speaker is of opinion that a similar amendment should be made to the act dealing with the Business tax, so that a man would only pay the amount by which his taxes on his income exceeded his business tax. The assessor has now power to call for a return from all persons in regard to their income, so that in future there should be no great difficulty in locating the taxable persons under this heading in cities and towns. In part from this addition, however, very great additions will require to be made to the City Act if the Income Tax is to yield a fair percentage of the City's revenue.

Tax on Business

Dealing lastly with the Business Tax; the speaker is thoroughly in accord with Prof. Haig in regard to his recommendation on this question, i.e., that a low business tax on floor space should be imposed, supplemented by an Income Tax. The business tax should be uniform for cities and towns of approximately the same population, so that no rivalry might be engendered between different cities. No one can say that the business tax or license as at present imposed is fair as between businesses of the same class or between different businesses. Numerous instances could be given to prove this; for instance in two confectionery stores of approximately the same floor space, both stores paying the same business tax, though one is on property assessed at $1,650 per front foot, and the other at $100 per front foot, and as a consequence should do and does fifteen times the business of the other.

Much more could be said on this subject, and I have no doubts that many points on which I have not touched will be brought out in our discussion. The question is of outstanding importance in our civic life, as upon the correct and satisfactory solution of the incidence of taxation depends the happiness and prosperity of all our fellow citizens. Our urban centres have gone through a severe time of trial during these years of financial stress and struggle, and there is no doubt that critical and trying years are yet before us, but if we steadfastly set out to solve these problems in the best interest of every citizen, and in the best interest of all our towns and cities of this province, and this great Province itself, will embark on an era of prosperity such as the most sanguine of us have never dreamed of.

BONDS OF SHELDON'S, LIMITED

Issue of $120,000 Offered to Yield 6¾ Per Cent.

An offering is made this week of an industrial bond, Sheldon's, Limited, of Galt, a 6 per cent. first mortgage (closed) sinking fund of gold bond due Jan. 2, 1934, to the amount of $170,000. The price is 93 and interest, giving a yield of 6¾ per cent., and the bond houses interested are Foster, Barrett, Riepert & Low, and Herdman & Co. of Montreal.

The bonds are secured by a first mortgage on the entire assets of the company, which are placed at $693,378. The earnings for the past seven years have been $72,000, or more than six times the average annual interest charges of $11,000. The company has a surplus of $200,000, or more than the bonded indebtedness. The firm manufactures ventilating and heating systems that are installed in a number of the large public buildings in Canada. A point is made by the underwriters that the company was able to make substantial profits in war time, when the average amount of building permits for 35 cities was only $35,856,547, compared with $154,487,000 in 1913, so that a much larger volume of business is looked for when building comes back to normal.

WHAT TORONTO PAID

Cost of Insurance on the Lives of Soldiers From the City

Up to the close of June the number of soldiers' lives insured by the city of Toronto was 44,157; the total number of deaths reported was 4,578, or approximately ten per cent. of the number of those insured, and of these 2,855 were covered by insurance which was carried by the city, while the balance, 1,723, were covered by insurance taken out in several life companies, to which there has been paid for premiums $1,190,124.

The total amount of insurance carried was $44,157,000, and the total amount paid out on account of deaths was $4,578,000.

Money By-laws

These investors who wish to keep in touch with the municipal bond market will find this department useful. It aims to be accurate and convenient. THE FINANCIAL POST makes a specialty of municipal bond news. Municipalities will find it to their advantage to send in direct news of contemplated bond issues.

TENDERS WANTED

July 19, Listowel—$18,000 5 per cent. 20-instalment good roads debentures of the town of Listowel.—W. E. Binning, Treasurer. (See announcement, page 13.)

July 19, New Glasgow N.S.—$55,000 5½ per cent. 15-year debentures of the town of New Glasgow, N.S.

July 21, Saskatoon—$238,377 in 5 and 5½ per cent. debentures of the city of Saskatoon (see particulars in next column).—C. J. Yorath, City Commissioner, Saskatoon.

Aug. 2, North Bay.—$63,000 in 6 per cent. debentures of the town of North Bay. (Full particulars on page 16.)

Aug. 4, Charlottenburgh Township.—$30,000 5½ per cent. 20-instalment bonds.—George E. Watson, Township Clerk, Williamstown, Ont. (See announcement, page 8).

Aug. 15, Lancaster Township.—$100,000 5½ per cent. 25-year serial debentures of the township of Lancaster.

July 24, Alberta Schools.—$24,900 in twelve blocks of 6½ per cent. school district debentures, maturing in five, ten and fifteen years.—J. F. Ross, Deputy Minister of Education, Edmonton.

July 19, Oxford County.—$22,000 5½ per cent. 15-instalment road improvement debentures.—N. E. Birtch, County Clerk, Woodstock, Ont. (See notice on page 8).

Aug. 9, Medicine Hat.—$132,253 in 5 and 6 per cent. debentures of varying maturities, all being sinking fund.—G. E. Baskie, City Treasurer. (Full particulars in adjoining column.)

July 22, Levis, P.Q.—$85,900 5½ per cent. 20-year serial debentures dated Feb. 1, 1919.—Lionel Lemieux, City Clerk, Levis, P.Q.

July 21, Notre Dame de la Doree, P.Q.—$3,000 6 per cent. 10-instalment bonds dated May 1, 1919.—Louis Tremblay, Secretary-Treasurer.

July 25, Trenton.—$30,000 in 5½ per cent. 20-instalment debentures of the town of Trenton.—J. W. Delany, Town Treasurer. (See announcement page 8.)

July 21, Glace Bay, N.S.—$6,000 in 5 per cent. 10-instalment school bonds of the town of Glace Bay.—Neil F. McNeil, Town Treasurer.

BY-LAWS TO BE VOTED ON

July 21, Saskatoon.—$15,000 for alterations to street cars; $1,000 for new scales; $156,200 for extensions to electric light and power; $2,976 for grading streets; $8,000 for site for children's home; $34,000 for extensions to street railway; $3,000 for extensions to fire alarm system; $3,250 for laying out park; $10,000 for improvement to exhibition grounds.

July 25, Barrie.—$7,300 in 5 per cent. 20-instalment debentures for sidewalks; $2,700 for permanent improvements; $75,500 for alterations and additions to school.

BY-LAWS PASSED OR DEFEATED

Regina.—$139,000 for purchase of site and erection of school in the Eastern Annex, passed by ratepayers by 152 to 15 on June 30.

Mimico.—$55,000 for addition to the public school, passed by council July 7; registered July 10.

DEBENTURE NOTES

Hamilton.—By a vote of ten to nine, the recommendation that debentures be issued for $33,000 to repair Central School was thrown out by council on July 8.

Owen Sound.—As a result of some financing managed and put through by R. Patterson, deputy reeve of Owen Sound, the town is richer by $60,000. The town, which was a big purchaser in both issues of Victory bonds, sold them at a greatly increased price over what was paid for them, and with the result that the town is considerably richer. It was first thought that only $20,000 would be realized, but after some careful investigation and dealing the above gain was secured. The town plans to purchase other bonds, which are not taxable only when held by municipalities, and already a deal is being made. The revenue from these will also realize a good sum.

SASKATCHEWAN

The following is a list of authorizations granted by the Local Government Board from June 28th to July 5th:

School Districts.—Sunnyplain, $11,000; Stratton, $3,400; xHayland, $3,000; xNorth End, $500; Harriville, $2,600; Linden Valley, $1,200; Bapaume, $3,000; Webb, $10,000; xRozilee, $630; xLittle Boggy, $900; xWawota, $12,000; xGlen Curren, $500; xFreeman, $10,000; Ashford, $3,000; Rose River, $2,400. xBeing sold by Local Government Board.

Rural Telephone Companies.—Kandahar, $500; LeRoss, $13,000.

Village.—Ruddell, $2,000, erecting town hall.

Following reported sold June 28th to July 5th:

Rural Telephones.—Bruno, $10,800, to Goldman & Co., Regina, Sask.; Wise Creek, $13,600, Crown, $5,800, New Finland, $10,500, to Harris-Read & Co., Regina, Sask.; Fartown, $18,400, to W. L. McKinnon & Co., Regina, Sask.; Esk, $8,300, to Harris-Read & Co., Regina, Sask.; Glen Eagle, $1,000, to Wood, Gundy & Co., Saskatoon, Sask.; Garden, $4,900, North Forrest, $115,000, to Harris-Read & Co., Regina, Sask.; Hillview, $2,900, sold locally; Bothwell, $17,600, to T. D. Rourke, Regina, Sask.; Shamrock, $13,300, to R. D. Rourke, Regina, Sask.; South West, $4,550, to Nay & James, Regina, Sask.; Lipton, $15,400, Bertdale, $16,800, Happyland, $3,700, to Harris-Read & Co., Regina, Sask.; Wartime, $8,900, to Wood, Gundy & Co., Saskatoon, Sask.; Readlyn, $54,200, to Harris-Read & Co., Regina, Sask.; Pelican, $5,300, to W. L. McKinnon & Co., Regina, Sask.

Schools.—Glenavon, $10,000, to Harris-Read & Co., Regina; Springbrook, $1,500, Grand Meadow, $3,500, Rose Vale, $1,700, to Great West Life Ass. Co., Winnipeg; Shannon View, $2,900, to Waterman-Waterbury Mfg. Co., Regina, Sask.; Turnout, $2,400, to Harris-Read & Co., Regina; Brada, $3,000, to Waterman-Waterbury Mfg. Co., Regina, Sask.

BOND SALES

$2,000 Can. Cottons at 85; $500 Cons. Rubber at 96; $1,500 Can. Cement at 100½; $2,200 Cedar Rapids at 90 to 89; $5,000 Dom. Canners at 95¾; $1,000 Dom. Textile "D" at 99¾; $1,000 Dom. Iron at 89½; $2500 Montreal Trams debs. at 69½ to 69; $7,000 Montreal (1923) at 102 to 101½; $500 Montreal (1922) at 102; $1,000 Nat. Breweries at 100; $2,000 N.S. Steel at 85; $2,000 Porto Rico at 82; $1,100 Quebec Rly. at 66; $19,000 Riordon at 96; $8,000 Steel of Can. at 100; $1,100 Wayagamack at 87½ to 87¼; $279,350 Victory Loan (1922) at 101 to 100¼: $447,300 (1923) at 101 to 100⅛; $171,300 (1927) at 103¼ to 102; $773,700 (1933) at 105 to 104⅛; $235,550 (1937) at 106½ to 105; $27,600 War Loan (1925) at 99½ to 98; $24,800 (1931) at 100¼ to 99½; $153,300 (1937) at 100½ to 99.

Weekly Record of Government and Municipal Bond Sales

Date.	Place and purpose.	Purchaser.	Rate.	Terms.	Amount.	Price.	Basis.
July 5	Saskatchewan, schools	Various (see list above)	.....	.....	$ 25,000	.....	.....
July 5	Saskatchewan, phones	Various (see list above)	.....	.....	330,950	.....	.....
July 14	Oakner Con. S.D., Man.	J. A. Thompson & Co., Winnipeg	6½%	20-ins.	25,000	.....	.....
July 14	Graysville S.D., Man.	J. A. Thompson & Co., Winnipeg	6¼%	20-ins.	30,000	.....	.....
July 15	Prescott and Russell, roads	Aemilius Jarvis & Co.	6 %	25-ser.	50,000	105.26	.....

OUR POLICY
Our policy—except in cases where we are otherwise directed by the Will or trust instrument under which we act—is to practically confine our investments to first mortgages on improved real estate.
THE
TORONTO GENERAL TRUSTS
CORPORATION
Head Office, 83 Bay Street, Toronto
Branches at Ottawa, Winnipeg, Saskatoon, and Vancouver

$132,253.00
CITY OF MEDICINE HAT, ALBERTA
SALE OF DEBENTURES
Tenders endorsed "Tender for Debentures" will be received by the City Treasurer, up to noon of the

for the purchase of the following issues of Debentures of the City of Medicine Hat, individually or collectively:—

Construction of Spur Tracks	5% Debentures Maturing April 1, 1945..	$11,700.00
Purchase of Industrial Sites	5% Debentures Maturing April 1, 1945..	16,000.00
Improving Parks	5% Debentures Maturing April 1, 1945..	14,140.00
Deficiency on Storm Sewer	5% Debentures Maturing April 1, 1955..	17,199.00
Deficiency on Trunk Sewer	5% Debentures Maturing April 1, 1955..	17,188.00
Market and Right of Way Purchase.	5% Debentures Maturing April 1, 1945..	11,000.00
Rebonding	6% Debentures Maturing July 1, 1949 ..	53,000.00

All Sinking Fund Debentures, interest payable at the Union Bank of Canada, Medicine Hat; London, England; Toronto, Montreal or Winnipeg, and the National Park Bank, New York.
Copy of Financial Statements forwarded on request.
The lowest or any tender not necessarily accepted.
G. E. BASKIE, C.A.
City Treasurer

McDougall & Cowans
(Members Montreal Stock Exchange)
93-95 NOTRE DAME STREET WEST, MONTREAL
Branch Offices:
Quebec — Toronto — Ottawa — St. John — Winnipeg — Halifax
Connected by Private Wire

BEAUSOLEIL, LIMITED
Financial and Investment Brokers
Dealers in Municipal and School Bonds
112 St. James Street MONTREAL

JUST FOR CONSCIENCE SAKE!
It's comfortable to know that if you die, your wife and kiddies will be protected against poverty and all its attendant miseries.
Make your will NOW and avoid possible litigation and miscarriage of your wishes in the event of your death.
Consultation invited. Write us to-day for particulars.
MERCANTILE TRUST COMPANY
of CANADA Limited
HAMILTON - - ONTARIO
Cyrus A. Birge, President
S. C. Macdonald, Manager
Major Henry L. Roberts, Vice-President
James Turnbull, Vice-President

Who Is Your Executor?
The duties in connection with the successful administration of an Estate are onerous, and there are few who are willing to assume, unassisted, the responsibilities involved.
Have you paused to consider what would happen to your dependents if you were to appoint as Administrator of your Estate an individual inexperienced or incompetent to act in such capacity?
Why not associate a Trust Company and ensure efficiency?
PRUDENTIAL TRUST COMPANY
LIMITED
from its long experience is well adapted to administrate Estates, whether large or small. Consult with its Officials.
HEAD OFFICE: PRUDENTIAL TRUST BLDG., MONTREAL

When selecting a Trust Company as an Executor, choose one whose fixed policy is to give
FINANCIAL ASSISTANCE
to Estates being administered by it.
CAPITAL ISSUED AND SUBSCRIBED $1,171,700.00
PAID-UP CAPITAL AND RESERVE $60,225.00
The Imperial Canadian Trust Co.
EXECUTOR, ADMINISTRATOR, ASSIGNEE, TRUSTEE, ETC.
HEAD OFFICE: WINNIPEG
BRANCHES: SASKATOON, REGINA, EDMONTON, CALGARY, VANCOUVER AND VICTORIA

SIZE, STRENGTH, LIBERALITY

The Sun Life Assurance Company of Canada, with over $340,000,000 of business in force, has all the advantages that size can bring to a life company.

With assets of over $97,000,000 and surplus of over $8,000,000 it has decided strength and safety.

Its policy, conditions and dividend record have earned for it an enviable reputation for liberality, while its record for fair dealing is unexcelled.

For information as to contracts, communicate with the nearest Division office, or with the Company's Head Office in Montreal.

SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE—MONTREAL
T. B. MACAULAY, President

BRITISH COLONIAL
FIRE INSURANCE COMPANY
MONTREAL

Authorized Capital	- -	$2,000,000.00
Subscribed Capital	- -	1,000,000.00
Paid-up Capital	- -	247,015.79

General Fire Insurance Business Transacted
Theodore Meunier, Manager

The Independent Order of Foresters

Furnishes a Complete System of Insurance

Policies issued by the Society are for the protection of your Family and cannot be bought, sold or pledged.

Benefits are payable to the Beneficiary in case of death, or to the member in case of his total disability, or to the member on attaining seventy years of age.

Policies issued from $500 to $5,000. For further information and literature, apply to

Benefits Paid 63 Million Dollars

FRED J. DARCH, Secretary — W. H. HUNTER, President — S. H. PIPE, F.A.S., A.I.A., Actuary
HEAD OFFICE - - - TORONTO

Why the "MUTUAL LIFE of Canada" is so Popular

The Mutual placed upon its books in the first five months of 1919, 100% more business than in the corresponding months of 1918. The wonderful war-record of the Mutual Life and the prompt payment of the many unexpected claims during the recent epidemic—these have proved the value of the institution. The Mutual, moreover, is in a peculiar sense a people's company being in its control democratic, in its economy strictly co-operative. This means that the system is in line with the "Spirit of the Age" and so the people naturally turn to the Mutual. The record of the company for nearly half a century has been one of increasing beneficence, and an ever-growing number of gratified policy-holders help on the good work of the agents. As a result there probably is not a more prosperous group of workers in Canada to-day than the representatives of our company.

"BE A MUTUALIST!"

THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA
WATERLOO : : ONTARIO

$5\frac{1}{2}$% INTEREST RETURN

INVEST YOUR SAVINGS
In a $5\frac{1}{2}$% DEBENTURE of
The Great West Permanent Loan Co.
SECURITY

Paid-up Capital	$2,412,578.81
Reserves	964,459.30
Assets	7,086,695.54

HEAD OFFICE, WINNIPEG
BRANCHES: Toronto, Regina, Calgary, Edmonton, Vancouver, Victoria, Edinburgh, Scotland.

THE CANADA NATIONAL FIRE INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, MAN.
TOTAL ASSETS $2,468,523.08
A Canadian Company Investing its Funds in Canada
APPLICATION FOR AGENCIES INVITED
TORONTO: 20 KING ST. W. Lyon & Knowland, Agents

YOU SHOULD ENTRUST

the administration of your Will only to those experienced in such matters. Administration of Estates is this Company's business, and its officers are especially trained for all the duties involved and will be glad to discuss this subject with you. Appoint this Company to act either as your sole Executor or jointly with your friends.

MONTREAL TRUST COMPANY
Sir Herbert S. Holt, President — A. J. Brown, K.C., Vice-Pres.
TORONTO OFFICE: Royal Bank Building
J. F. HOBKIRK, MANAGER

INVESTORS' INSURANCE NOTES

AVIATION FROM THE INSURANCE POINT OF VIEW

Accidents From Landing Are Likely to be of Common Occurrence

ENGINE FAILURE

Greatest Danger While Flying Under Normal Conditions in Single-Engine Machines is Engine Failure

By CAPTAIN G. H. LEWIS, Late R.A.F., of Thames & Mersey Marine Insurance Co.

In considering aviation from the insurance point of view, we must first of all look at the "personal element" risk in connection with the pilot (I am not considering airships for the moment). Everything in flying depends on the pilot; he is more important than the most intricate piece of mechanism. His job is often a difficult one, and is always a responsible one.

Under normal conditions, the danger of accident while flying is about the same at all times, the pilot being largely responsible. In the first place there are accidents while landing. These may be caused by the surface or surroundings of an aerodrome being defective, or the aerodrome too small. Aerodromes of this kind will be known, and rates adjusted accordingly. The chances of a first-class pilot damaging his machine while landing under normal conditions are fairly remote, so long as he has sufficient inducement to take reasonable care. If an employee in a civilian firm, he would, of course, be more careful. Crashing might be attributed to over-work, or to carelessness while landing. A first-class pilot will often misjudge his landing, but his experience will usually enable him to make a recovery sufficient to land safely.

Large and Small Machines

Very large machines are less affected by wind when landing than smaller machines, and are usually provided with such a well-sprung under-carriage that given plenty of room they are safer. A smaller machine, a two-seater, say, in the hands of a careless pilot, may be landed slightly "out of the wind," in which case it might heel over on to a wing and tip, damaging the plane and perhaps breaking a "spar." This would necessitate replacing the plane. On the other hand, the undercarriage might be broken, which could easily be replaced; or the under-carriage might hold, but the centre section bracing wires might be badly stretched or broken which, though requiring only a small actual repair, would involve a large amount of labor, perhaps necessitating the removal of the engine, dismantling of the planes, and re-rigging of the centre section again. Then, again, the under-carriage might be broken, at the same time cracking the "engine bearers" and "longerons." This, again, would not be likely to be an expensive repair from the point of view of particular damage, but the time and labor expended would be greater than in the previous case. Thus it can be seen that much depends on the pilot, and though the damage caused through carelessness may be small, he would have to answer for it to his employers; and in that lies the safety of the insuring company.

In all these cases where the undercarriage is broken, and in many cases where there is no other damage than that the machine has tilted gently on to its nose, the propeller gets damaged. On the whole the propeller is a bad part of a risk, as it is liable to damage from other reasons, such as getting chipped through picking up stones when rotating. It is also liable to be affected by heat and moisture while on the ground. If the propeller gets badly smashed the damage will obviously spread to the engine, perhaps straining the propeller shaft, and possibly requiring it to be replaced. These are accidents which will seldom happen among first-class pilots of the right type.

The greatest danger whilst flying under normal conditions in the single-engine machine is engine failure. In the case of twin-engine machines, it is usually possible to fly on one engine. It is naturally important in the case of any twin engine machine to know whether this is so or not. On a Handley-Page, for example it is possible within limits; on a Gotha it is not. A Gotha, with one engine out of action, goes round in a circle.

Risk in Single Engines

The risk is therefore greater, speaking generally, in the single engine machine, and as engines vary so tremendously in reliability a machine's value from the pilot's point of view is to a large extent lies in its engine. If the engine "cuts out" there is only one thing to do, and that is, to glide down and try to pick out a suitable landing place. This is a very difficult task, as from above it is impossible to see undulations of the ground, and one has to make up one's mind rapidly. A sound nerve, excellent judgment, and plenty of luck are essential in cases of "forced landings," as a foot or two out may make all the difference. Machines vary as to the ease with which they can be landed in an emergency.

Finally, there is the risk of crashing in normal weather through unnecessarily low flying. Flying low is dangerous, because in the event of your engine cutting out, you have no height and consequently no time to choose a landing place, and may be forced to land on a house or in a back garden. Stunting below 2,000 feet is taking risks even if it is over the aerodrome, while cross country flights should be made at about 4,000 feet, and certainly not less than 3,000 feet

Third Party Risks

Third party risks have not been of great consequence during war time; however, the need for insuring against such risks will remain so long as the "expert" survives as typified in the person of the new pilot who had recently arrived at his squadron in France from home. This particular man was sent out to "low strafe" on a very "dud" day when anyone but an old hand might be excused for losing himself. He had been away for about half-an-hour when he suddenly appeared over his own aerodrome, the stables at the far side of which he proceeded to bomb with the utmost determination and devotion to duty, quite under the impression that he was doing an excellent day's work over the far side of the lines!

Stunting low is, of course, dangerous to third parties, and flying over big centres should be barred in every policy, though no doubt it will be forbidden by law. There are two well-known cases of accidents in this connection; first, that of the "expert" who was giving what he thought was a first-class demonstration of aviation over a large public meeting and finally crashed among them, killing several; the other being the case of the man who, arriving over Brighton, thought it was up to him to perform a few simple tricks, and so proceeded to "loop"; so successful was he in his first attempt that his ballast in the shape of a sandbag fell from the back seat, descending on the head of an inoffensive old man, who was promptly killed.

GEORGE IDE DEAD

President of Home Life Succumbs to Lengthy Illness

George Edward Ide, president of the Home Life Insurance Company, died last week at his home in Locust Valley, Long Island, after a long illness. He was 59 years of age and had been president of the Home Life for 25 years. A graduate of Yale, he entered the banking house of Dominick & Dickerman in New York and served with that company in various capacities for about nine years. In 1890 he turned his attention to the insurance business, and in that year was elected secretary of the Home Life Insurance Company. Two years later he was elected vice-president, and in 1894 he was made president.

During his administration he made the company one of the foremost insurance concerns in the country, more than tripling its assets between the years of 1894 and 1913. He also was a director of the Larchmont National Bank, of the Fidelity and Casualty Company, the Washington Trust Company and the Grand Central Branch of the Corn Exchange Bank and a trustee of the Title Guarantee and Trust Company.

STANDARD RELIANCE

Depositors in Chatham Determined to Have An Investigation

A meeting of the Chatham depositors of the Standard Reliance Loan Corporation was scheduled for last night to discuss further the question of investigating the affairs of the company. In the meantime it has been decided by the City Council to ask the Government to probe the affairs of the corporation in the interests of the local depositors. If it is found that the company has overstepped the limit of the law in the transaction of their business, the Government will be asked to institute prosecutions against the directors. There are large numbers of depositors in Chatham who are still unable to get their money out of the institution.

BIG INCREASES FOR NORTHERN ASSURANCE CO.

In Marine Department Net Premiums Exceeded £3,000,000

DIVIDEND RAISED

Profits of £1,145,888 for Year—Assets of £15,045,932—New Department for Canada.

The report of the Northern Assurance Company of Aberdeen, for 1918, which has just reached Canada, shows a very satisfactory condition, with large increases in business and profits, particularly in the department of Marine insurance.

The total income from all sources for 1918 amounted to £6,121,881.

In the Fire Department the net premiums were £1,912,413, an increase of £215,589 over the year before. The losses were £833,995; expenses of management, commission, etc., £666,274, leaving a surplus of £304,349 to be carried to profit and loss, after reserving 50 per cent. of the increased premiums as unearned. This compares with a surplus of £43,699 one year ago.

The loss ratio for the year was 43.6 per cent. compared with 62.3, making the general average for the company from the commencement 56.12 per cent. The Expense ratio was 34.8 as against 35.1 in 1917 and 37.4 in 1916.

In the Accident and General Departments the net premiums were £469,144, compared with £298,962 one year ago; the claims, inclusive reserve for unexpired risks, were £209,914; commission and expenses of management £154,825, leaving £104,405 as the profit for the year, compared with £56,013 in 1917.

In the Marine Department, a comparatively new branch of the company, the increase in business was enormous. The net premiums amounted to £3,019,707, compared with £112,864 one year before; the losses were £857,021 as against £12,533, and the expenses, £44,393, leaving a surplus of £2,118,293 in the account, compared with £94,781. The losses and expenses on all accounts for 1917 and previous years amounted to £1,340,143, and after making provision for all estimated further losses, the underwriting profit was £453,657, which with interest, less tax, of £104,481 is transferred to profit and loss. The Marine Funds of the company at the end of the year amounted to £2,981,386.

In the Life Department—assurance branches—there were 1,101 policies issued for new assurances, amounting, after deductions, to £577,013, compared with £313,303—with annual premiums of £27,967, and single premiums of £986. This was the largest amount of new business transacted in the history of the company. The premiums amounted to £299,423, compared with £288,834. The claims amounted to £324,445. In the Annuity branch the the sum of £13,924 was received.

The funds of the Life Department at the end of the year amounted to £5,061,273, as against £5,007,695 at the end of the preceding year.

An interim dividend of 4s. 6d. per share, less Income Tax, was paid in November last, and the directors propose to pay a final dividend of 7s. 6d. per share, less tax on the ordinary shares, making in all 12s. per share for the year, as against 9s. hitherto paid. The total dividend will now reach £180,000, or £45,000 in excess of the amount hitherto divided. The 66,936 6% participating preference shares will be entitled to their proportion of one-fifth of this excess.

The Profit and Loss Account shows a

Continued on page 15.

CANADIAN ORDER OF CHOSEN FRIENDS
HEAD OFFICE HAMILTON, CANADA

The Order furnishes life insurance to members in accordance with the Standard of the Government of Ontario. Sick and funeral benefits are also given if desired.

No charters are granted to Local Councils outside of Canada. Being confined to this healthful Northern Zone, the death rate is small and rates proportionately low. The Order has already paid over five million dollars in death and disability claims, and over five hundred thousand dollars in sick and funeral benefits.

Over 600 Councils in Canada. If there is not one in your locality there should be. For full information write to any of the following officers:

J. L. Davidson, Grand Councillor. — W. F. Montague, Grand Recorder
W. F. Campbell, Grand Organizer. — J. H. Bell, M. D., Grand Medical Ex.
HAMILTON - ONTARIO

British America Assurance Co.
Fire, Marine, Hail and Automobile Insurance.
HEAD OFFICE - - LONDON
BOARD OF DIRECTORS: W. B. Meikle, President and General Manager; Sir John Aird, Robert Bickerdike (Montreal), Lt.-Col. Henry Brock, Alfred Cooper (London, Eng.), H. C. Cox, John H. Fulton (New York), D. B. Hanna, E. Hay, John Hoskin, K.C., LL.D., Z. A. Lash, K.C., LL.D., Geo. A. Morrow, O.B.E., Lt.-Col. the Hon. Frederic Nicholls, Brig.-Gen. Sir Henry Pellatt, C.V.O., E. R. Wood.
Assets over - $4,000,000.00
Losses paid since organization, over - $45,000,000.00

Western Assurance Company
Fire, Marine, Automobile, Explosion, Riots, Civil Commotions and Strikes. Insurance.
Incorporated 1851
HEAD OFFICE, TORONTO, ONT.
Assets over - $7,000,000.00
Losses paid since organization over - $74,000,000.00
BOARD OF DIRECTORS: W. B. Meikle, President: Sir John Aird, Robert Bickerdike (Montreal), Lt.-Col. Henry Brock, Alfred Cooper (London, Eng.), H. C. Cox, John H. Fulton (New York), D. B. Hanna, E. Hay, John Hoskin, K.C., LL.D., Z. A. Lash, K.C., LL.D., Geo. A. Morrow, O.B.E., Lt.-Col. the Hon Frederic Nicholls, Brig.-Gen. Sir Henry Pellatt, C.V.O., E. R. Wood.

5% AND ABSOLUTE SECURITY
Over 200 Corporations, Societies, Trustees, or Individuals have found our Debentures an attractive investment. Terms one to five years.
The Empire Loan Company
Winnipeg, Man.

For the well groomed man
TEXEND BRACES
Finer than the imported
The Dominion Suspender Co. Limited
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CANADIAN NATIONAL

THE STERLING BANK OF CANADA
Sterling Bank Service is not kept for the large corporation. The small depositor receives the same careful consideration.

NIAGARA FIRE INSURANCE COMPANY
Incorporated 1850 — Head Office: NEW YORK
Cash Capital: $1,000,000.00.
Total Assets Dec. 31st, 1918: $10,286,583.97
Canadian Department: MONTREAL — W. E. Findlay, Manager
Toronto Agents: - - Murphy, Love, Hamilton & Bascom

FRANK A. VANDERLIP CONTINUES HIS INTIMATE PEN PICTURE OF THE AWFUL EFFECTS OF WAR ON EUROPE

Continued from page 11.

danger of a violent or revolutionary movement developing. During that period some substantial progress was made in actual adjustments of differences, but of much wider significance was the general atmosphere, not so much of mere concession as of a common recognition on all sides of certain fundamental principles.

This was accomplished in the face of, or perhaps because of, a rapidly growing army of unemployed which was increasing directly as the demobilization of the army proceeded. That army reached by May 1 a number in excess of 1,000,000, who were receiving weekly grants from the Government of 29 shillings a man, with additional grants for dependent children, and costing the Government Treasury above £1,250,000 a week. This had already brought the total paid in unemployment tolls since the armistice to above £15,000,000.

In the three months that had intervened since my earlier observations the strike on the tubes and the district railway had been settled by the granting of shorter hours. The difference with railway employees had been, for the time being, composed. The Government partially meets the views of labor. A hurried inquiry into the conditions of the coal mining industry had presented an unanswerable case for the coal miners, and their hours were cut to seven, from pit mouth to pit mouth, with a promise of further reduction to six if that seemed feasible after some experience with the first reduction. Sporadic strikes in the engineering trades had been settled and an inquiry of the deepest significance was in progress bearing on the question of the nationalization of the coal mines. The inquiry, conducted on behalf of the miners, by Mr. Robert Smillie, the head of the miners' union, had partaken somewhat of the sporting character of a Pujo or Stanley inquiry, but it was striking at the very roots of the economic theory of property rights.

Land Owners Grilled

Land owners whose title dated back to royal grants made in the fourteenth century were being distressingly grilled in public as to why a royal dispensation in the thirteen hundreds entitled them to levy tribute on every ton of coal to-day, when human beings who happened to be miners were left with a division that gave them a share in the profits of an extremely profitable business which would not maintain a standard of living under present conditions.

I regretted that this examination did not bring out as it might the true reason why land titles should be protected. The reason is not because those titles were granted some centuries ago. It is because in the main it has been well demonstrated that it is better for society that land titles should be protected. Every communistic experiment in holding land has in the end led to deterioration of the land and to less efficient cultivation. It is not for the benefit of the individual land holder that land should be protected. It is because the weight of evidence indicates that it is better for society itself. It must be admitted in the case of the English coal lands, however, that the action of the owners had certainly obscured this point.

The labor leaders with whom I talked impressed me profoundly. They were men who had come up from the ranks, but they were not agitators. They were patriotic Englishmen with a great love for their country and with hope for its future. Some of them were men with no great amount of culture, but with wide knowledge. They had an understanding of economics that could only have been obtained by men who recognized that these laws were of transcendent importance and that the principles of action under which they led unions embracing half a million men must be formulated in accordance with sound economic principles or the leadership would go astray.

In the main these leaders wanted no Socialistic state and believed that the best future of English labor and of the British state lay in a maintenance of the present social order. Some of them, notably Arthur Henderson and Prof. Cole, did not agree with this view and looked forward to an ultimate Socialized state. But they presented their views with a saneness and moderation of programme which, to say the least, entitled them to a respectful hearing.

All agreed that the wing of the Labor party which believed that it was desirable ultimately to overthrow the present order of the capitalistic state and to substitute for it a communistic society did not represent over 10 to 15 per cent. of the organized laborers, but it was agreed that this minority was led with great skill; that it understood the power of propaganda, while the more conservative majority was phlegmatic and lacked assertion. It was agreed, too, that while the radical minority was at present small, its ranks would be potentially increased if living conditions became more seriously difficult.

The great employers of labor whom I met were probably representative of the most advanced and liberal thinking employers. Lord Leverhulms, for example, is the open advocate of a six hour day, having reached that conclusion not because he believes labor will accomplish as much in six hours as in a longer working period, but he thinks industry must use its machinery to a greater advantage than keeping it employed for one-third of the twenty-four hours. He therefore concludes that two shifts of six hours a day present the ultimate solution.

I cannot but believe that there is still a great mass of Tory thought in the employing classes. It is certain that, broadly speaking, employers are thoroughly awake to the necessity for concessions to labor. There is an awakened consciousness of responsibility for unemployment. The industrial theory that labor is a commodity to be bought when wanted on the best terms that the bargain can be made is disappearing. The idea that there should be a genuine minimum wage, varying with different localities and conditions, but applicable to everyone, is gaining ground.

All Classes Are Optimistic

Employers' minds are beginning to wonder if industry has not been shortsighter in leaving labor always in a state of apprehension in regard to the stability of its position and at least to question, if not fully to admit, that industry would gain in efficiency under a system of unemployment insurance. The aspirations of labor for a larger voice in the management of industry is being listened to with attention, and on every hand there is recognition that in the future labor will have, and in justice should have, a larger division of profits of industry either in the form of profit sharing or, what seems more practical for the present at least, maximum wages above minimum standards. So far as the Government officials are concerned they seemed intelligently and keenly awake to the various questions involved in the labor problem, but like all governments, move slowly in positive action.

Perhaps the most significant thing that I got out of these interviews was the sense of a sort of dogged optimism in the minds of all classes and a belief in the power and intelligence of England and Englishmen, a more or less conscious impression, that they would work out eventually a relationship between labor and capital in which all apparent sacrifices that capital might have to make would be more than compensated for by the increased efficiency which would come from a body of satisfied workmen. Everyone admits that the days prior to the war when industry was hampered by a chaotic network of union and labor restrictions on output have passed and will never return.

There are instances current at the moment of blind restrictive rules being again imposed by union labor, but I think those instances are sporadic and not indicative of labor's mind. If the hope which was clearly expressed by some employers that a satisfied body of workmen putting their brains into the job will in the end produce on a scale which will make the present scale of production seem indicative of a period of the dark ages in industrialism—I say, if that hope is realized, the future of England's industry is brought beyond anything ever dreamed of.

Chapter V—France

France thrills one with admiration that there was in the world a nation of such superb valor, but one sighs if he studies the present position of that gallant nation. France never stopped to count the price in courage and manhood that she must pay to defend herself from the Hun. There was never any reckoning as to what the future had in store. All things were possible to that patriotism which is unsurpassed. And no more did France count the financial cost. Indeed, I think the French mind grows bewildered when the unit of a billion is reached. They call it a milliard, and after you have annexed nine ciphers to a figure the French mind no longer follows. It got to be all the same when the debt of France piled up to a hundred milliards and then two hundred, and when engagements were made that will take it far beyond that figure. It got to be like figures in astronomy that are so great that they are represented by conventional symbols.

With some capacity for adding two and two, the first thing that struck me in France was the disparity between budget requirements and anything that taxation has yet yielded. I talked with ministers, legislators and bankers, but none of them shared my anxiety. All of them in the month of February still felt confident that the national financial position was to be made right by the payment of indemnity. They were hazy on how that indemnity was to be paid, in just what form the payments were to be made. But of one thing they were very certain: it would be a deadly danger to France if German industry were allowed to recover before French industry was on its feet, and France in the future be flooded with German goods.

A Dutch banker in talking with me one day threw up his hands in despair over the French mind. "They want to milk the cow and cut its throat at the same time," he said.

Cutting a cow's throat while you milk her interferes with that material quietude of mind which is conducive to a generous down-giving of milk. Whatever the French mind is, it is usually logical. It can be forgiven in this case, however, for utterly neglecting logic, for it must be remembered that triumphant as France stands she is still in abject terror of the future if that future holds a military Germany.

The Pathos of Devastation

France's loss of man-power is one of the obvious things. Six months after the armistice there were women conductors upon the street cars, women working about the railroad yards, women everywhere in the fields.

France had a visible aspect of having been bled white. Men far along in the forties could be seen in soldier uniform and everywhere there seemed an actual shortage of human power. It is sad to remember that during the war the population of France, quite aside from all military losses, showed a decrease of 800,000—800,000 more deaths than births.

I traversed the whole distance of the French front. The pathos of that devastated territory is beyond words—the all but homeless people camping in wrecked buildings with windows screened with paper. Patient peasants toiling northward with scanty furnishings for the home they hoped to return to were poignant sights when one had come fresh from the regions toward which they were going and knew that no roof stood in all the land.

But in trying to get some estimate of the future of France I wanted, so far as possible, to get the awful picture of the battle front out of my mind and remember that south of that terrible scar still lies unharmed one of the most beautiful countries in all the world. The devastating hand of war has only blighted, after all, a comparatively small area, even though that area held an important proportion of the total of all French industry. Still, facts must be looked in the face, although perhaps less than any other nation involved in the war has France been disposed so to look facts in the face. It must be remembered that her pre-war debt was about $160 per capita; that the balancing of her pre-war budget was difficult, and that no recent Government had felt strong enough to carry out the pressing and necessary funding of her floating debt. To-day her bonded debt is about $26,000,000,000, or about $650 per capita; there are 38,000,000,000 francs of short term unfunded obligations. The Government owes the Bank of France $20,000,000,000. If she makes the payments that she expects to make immediately in grants to families of her dead, to her wounded and to aid in the rehabilitation of the devastated area, her total obligations will be about 200,000,000,000 francs.

Her immediate necessity is to provide income for a budget that foots over twenty-three billions. Her income from taxation before the war was over three and one-half billions (1913) and, of course, a large area in which taxes were gathered then can contribute nothing to the national treasury for several years. Her new territory will, perhaps, compensate this loss. The estimated national wealth of France before the war was four hundred billion francs. If the present wealth of France were to be calculated in a depreciated currency it might, without any increase over the true value before the war, reach a figure very much higher than four hundred billion. Conceivably the currency might depreciate so that the measure of the wealth would be so great in francs, that with a debt of say two hundred and fifty billion francs, it would be only one-third or one-fourth of the total national wealth instead of, as it now appears to be, five-eighths or three-fourths of the total national wealth. However, it must be remembered that inability to collect taxes from certain districts is equivalent to an increase in the total debt. To comment on what these figures mean would be brutal.

Let us pass by in silence the engagements of France to her own people. That is her affair. We may be sympathetic but we need not be critical. There is a phase, however, in which the outside world cannot but be deeply interested; and unpleasant as it is, one must refer to some of the salient facts of international balances. Before the war France was helped to meet that trade balance by a huge income from foreign securities owned by her people. These foreign securities included an investment of 20,000,000,000 francs in Russian Government bonds; 5,000,000,000 francs in Russian industries; 5,000,000,000 francs in Turkish obligations, and a substantial amount in Greek and Balkan securities. Here was at least a billion and a half francs coming in annually in the form of interest payments, and it was this income that balanced her international account. For a time the Government took up from French investors the dishonored Russian coupons, but it has announced that it can do that no longer.

The depletion of her income from outside the nation is only half the story, however. Before the war French investors held all the obligations of their own Government. Today France owes England £434,490,000 and America $2,802,477,000. At the moderate rate of 5 per cent. she needs new exports amounting to $245,000,000 in value to meet that interest engagement alone. With her outside income decreased by a billion and a half francs, with a new obligation of $240,000,000 to meet the interest on her foreign indebtedness, and with her capacity for merchandise export cruelly depleted, the problem of balancing her international account is one that calls for the wisest financial minds that ever engaged themselves with a desperate cause.

Change in Atmosphere

By the time I returned to Paris after visiting Switzerland, Italy and Spain I found considerable change in the atmosphere. Men in authority were beginning to realize something of the inexorable logic of the figures and to wonder what was to be done. With pathetic unanimity their mind turned toward America's assuming part of France's debt. It was not usually put so directly as that, but one could not talk to an important Frenchman for five minutes that he did not bring forward a plan, logical in construction, plausible in appearance, but always leading up to America's dividing with the Allies the war burden.

The Government has borrowed over 23,000,000,000 of francs from the Bank of France. I was told that the great Paris banks had 80 per cent. of their portfolios in Government obligations.

France has not raised taxes as England and America have. The politicians fear the antipathy of the French toward increased taxes. Probably any Government that attempts seriously to raise taxes will fall. The gap tance of looking at a nation in the light the budget demands that it would need a truly heroic Finance Minister who wlil propose a tax scheme that will close that gap.

The great anchor of France, so far as its internal political safety is concerned, lies in the fact that there are 6,000,000 landowners and that the whole nation is made up of small investors. In some of the industrial centres, such as Lyons and St. Etienne, there is plenty of latent Bolshevism. There is, of course, an active Socialist party, but France would not seem good soil in which to propagate the ideals of Bolshevik communism.

(To be Continued.)

BIG INCREASES FOR NORTHERN ASSURANCE CO.

Continued from page 14.

total of £1,145,888 profits—compared with £212,053 in 1917—added to the credit balance of £175,791 at the end of 1917, making a total of £1,321,680. From this total there were deducted £528,195 for dividends, interest, income tax, etc., for 1917 (£101,437), and also £200,000 transferred to Fire Fund, and £125,000 to Investment Reserve Fund, leaving a balance of £468,485. The total carried forward to 1919 was £371,922.

The Balance Sheet shows assets of £15,045,932, or an increase of over £4,000,000 for the year as compared with £10,944,891 at the end of 1917.

Heretofore the company has limited its operations in Canada for fire insurance, but the FINANCIAL POST understands that it has arranged to extend its operations to include casualty, accident and sickness.

We've been trying to tell you all along what we mean by "Office Specialty" service: how extensive in scope it is—how sincere in spirit and tangible in results we strive to make it.

—we've offered the benefit of 30 years' experience in the Filing System business to help you and your staff surmount the difficulties that depleted forces are imposing upon you.

And now we want to reiterate: If there's any problem of office system confronting you—if you're trying to handle increased work with reduced staffs—let's work with you for a common purpose. If we can help—fine! if our plan or suggestions don't jibe—all right, and no damages. But let us try.

This service is rendered free. We're sufficiently open-minded to believe that business comes where service starts.

Ten Stores—all ready to serve you

Toronto Montreal Ottawa Halifax Hamilton
Winnipeg Regina Edmonton Calgary Vancouver

THE OFFICE SPECIALTY MFG. CO., LIMITED
Home Office NEWMARKET Canada

OFFICE SPECIALTY FILING SYSTEMS

917

Guaranty Trust Company of New York

Condensed Statement, June 30, 1919

RESOURCES

Real Estate	$6,000,000.00
Bonds and Mortgages	1,920,100.00
U.S. Government Bonds and Certificates	38,827,146.05
Public Securities, including British and French Treasury Bills	43,761,573.03
Other Securities	49,667,334.38
Loans and Bills Purchased	405,867,874.64
Cash—on Hand and in Banks	117,651,027.20
Exchanges for Clearing House	79,331,998.08
Foreign Exchange	16,597,617.42
Credit Granted on Domestic and Foreign Acceptances	52,239,103.20
Accrued Interest and Accounts Receivable	9,220,625.78
	$821,084,399.78

LIABILITIES

Capital	$25,000,000.00	
Surplus Fund—required by law	5,000,000.00	
Additional Surplus—not required by law	20,000,000.00	$50,000,000.00
Undivided Profits		4,479,876.83
Notes and Bills Rediscounted with Federal Reserve Bank		7,250,000.00
Due Federal Reserve Bank against U.S. Government Obligations		5,000,000.00
Outstanding Dividend Checks		1,020,831.50
Outstanding Treasurer's Checks		22,498,310.35
Foreign Accounts		10,664,683.96
Domestic and Foreign Acceptances		52,239,103.20
Accrued Interest Payable and Reserve for Taxes and Expenses		6,016,700.42
Deposits		661,914,893.52
		$821,084,399.78

This Company, through its various departments, offers the facilities and services of a commercial bank, a trustee, a foreign exchange bank, and an investment institution.

PROSPERITY AHEAD FOR PAPER MILLS

Believed That a Free Market For Newsprint Will Result in Still Higher Prices

Predicting that a free market for newsprint will prevail in the United States by October next, Hayden, Stone & Co. of Boston, refer to the general situation as affecting the market for this product, particularly with reference to the operation of the International Paper Co. In view of the fact that Canadian mills are interested to a very large extent in the American market, the remarks of this brokerage house merit attention. They say:

"For several years the price of newsprint has been fixed by the Federal Trade Commission. While this policy of Government price regulation has really satisfied no one, either the newspapers or the newsprint producers, it has had one very important result. The various investigations and studies of cost of production which the Federal Trade Commission has made have tended to establish the claims of the mills for higher prices for their product. For years the cost of newsprint has been a constant bone of contention between the producer and the buyer and as the chief producer, International Paper has been subject to a great variety of attack and abuse.

But the Federal Trade Commission which has certainly had no bias in favor of the manufacture has from time to time permitted increases in the selling price of newsprint. In all it has assented to increases which by successive steps have advanced the price from 3.10 cents per pound to 3.75¼ cents, which is the present level.

As a matter of fact, the so-called "outside market" for newsprint is even now above 3.75¼ cents per pound. It is believed that in October, if a free market prevails, the price of newsprint will advance considerably, based on the purely natural operation of the law of supply and demand.

Some trade authorities would not be surprised at a 4-cent level. Whatever the new price level proves to be it will affect net earnings of International Paper in the last quarter of 1919 and will almost assuredly be the basis for the renewal of 1920 contracts, most of which come up for revision in December or January.

While a price of 4 cents for newsprint sounds altitudinous, compared with the pre-war levels of 2¼ and 2½ cents, it is worth noting that the newspapers of practically every city in the country are now charging two cents and in many cases more. Higher cost paper and labor have put the 1-cent paper almost out of business.

But perhaps one of the most interesting situations is the fact that the papers of the larger cities are to-day extremely prosperous. For several months their advertising has been running at record figures. One explanation of this is the income and excess profits taxes. Many corporations — manufacturers, distributors, wholesalers—figure that advertising costs them only 30 or 40 per cent. of what they actually pay the papers. In other words, if they did not spend this money in advertising they would be obliged to pay 60 or 70 per cent. of it to the Government for taxes. The tax law is, therefore, an ally of newspaper advertising and indirectly of International Paper by making the burden of high cost newsprint less grievous to bear.

Very little has been made of the fact that International Paper's $20,000,000 common stock has been consistently strong for six months. It has at times actually gone against the market. In February it sold as high as 48¾ and its recent advance has attracted very little attention.

The strength in Paper common measures in a broad way the excellent results of the three years to December 31, 1918, and the probability of another good year in 1919. It also measures the possibility of initial common dividends in 1920. While only a possibility, there has been consistent buying of Paper common for months by interests who were willing to bide their time.

In four years the company has rejuvenated itself financially. It has reduced bonded debt from $15,252,000 to $7,189,000, a cut of $8,063,000. It has swelled working capital from $8,935,605 to $16,249,795, a gain of $7,314,190, or 81 per cent. It has also cleaned up 34 per cent. of arrears in preferred dividends, with the issuance of but $2,317,976 additional preferred stock.

WAYAGAMACK

Wayagamack, which some months ago went to 55 but declined to the minimum of 50 soon after, was another prominent paper stock this week and several thousand shares were dealt in. The prospects of the company for paying dividends were not considered good a while ago and when the "minimum" prop was removed the stock soon fell to 46. Last week saw its first rise, from 47 to 53, and on Thursday it started at 53¼ and went to 55¼. The mills are doing better lately, but it is believed that the stock rose mainly in sympathy with the other paper stocks.

B.C. PACKERS

There has been a very marked advance in the common stock of the British Columbia Packers' Association during the past two weeks, the stock advancing from 53 to 61⅝. The better feeling that has developed in regard to this stock is unquestionably due to the improved condition of its business. There has been a good market during the year for the balance of stocks left after the Government requisitioning of the bulk of the pack. This Governmental action while it caused much inconvenience assured a market for the pack at good figures, so that it is generally known that the company had a very successful year. With a market absolutely bare of supplies, and with a Government embargo against imports of canned salmon, and with an eager market overseas, there is little doubt, that granting a good run, the company is facing one of the brightest years of its history. It is probably this feeling that has led to the improved attitude toward the stock.

BROMPTON PULP

For activity Brompton Pulp & Paper Company held first place on Thursday, big lots of 725, 250, 110, 200, 200, 275, and so on being bought up in quick succession. The stock, which last week ranged between 64 and 65¼, opened at 64 on Thursday and at the end of the day was 65⅝, a rather small gain considering that thousands of shares were dealt in. While no immediate increase in dividend is looked for, it is known that earnings since the first six months of the year ended show big increases.

HOWARD SMITH PAPER

Howard Smith, which is closely held and has not paid a dividend on its common for over a year, also made its way up this week, but on very limited buying. The first bid was 79, and first sale at 81, then 83 was the next, and it closed 83⅛ bid. As was intimated some weeks ago in THE FINANCIAL POST it is proposed to declare a dividend of 3% on this stock very shortly, and an extra one is probable for the same amount six months later. Business for both mills of the company is reported excellent.

The Boston elevated railway has inaugurated a ten-cent fare, and the public has begun a boycott by walking, taking steam cars and jitneys.

THE POST LEADS IN BOND NEWS

Full information about city of Montreal 4½% 35-year bonds, which were bid in by the City Sinking Fund, was given in the July 5th issue of THE FINANCIAL POST. This information did not appear in financial or daily papers published in Montreal until July 12th. It did not appear elsewhere in Toronto until July 14th.

THE FINANCIAL POST has a very complete organization for getting full information on bonds, and believes it can render bond houses, municipalities, institutions and individual investors an unequalled service.

Messrs. Ferguson & Ormsby

INVESTMENT BANKERS

411-414 Continental Life Bldg.

159 Bay Street

TORONTO

Have an opening for an experienced bond and stock salesman. Steady position for the right man.

fishing

THEY are biting at Rainy Lakes, Nipigon, Ogakai River, Lake of the Woods, Nagogami River, Kenogami River, Minaki and the Shekak River. With the thrill of new catches lurking at every bend, nook and pool—with the "ever-on" call of the fisherman's sport at its best—each moment knows keen satisfaction. Fish, this year, at the right place! Don't take pot-luck.

"9 Ideal Vacations"

With scenic splendor and sportsman's playground, Canada calls the vacationist! Health and strength renew themselves in the invigorating atmosphere of Cape Breton, Prince Edward Island, St. John River Valley and Muskoka. For the hunter of moose, deer or bear, there is abundant sport in Nova Scotia, New Brunswick, Quebec, New Ontario, and Eastern Manitoba. Great grizzlies and nimble mountain goats draw the sure shot of the hunter in British Columbia.

A Vacation Planned to Meet Your Needs—Choose!

A wonder panorama unrolls before the traveler through the Canadian Rockies, Matapedia Valley, La Baie de Chaleur, Gaspe, Cape Breton, and along the ocean shore of Nova Scotia. History is animate in the ancient streets and dwellings, and in the quaint environs of Quebec, Montreal and Halifax. If you have only a few days, spend them joyously at Muskoka, Sparrow Lake or the Maritime Provinces. If you wish to combine business with pleasure, visit Western Canada, and such thriving cities as Winnipeg, where you "hear" opportunity grow.

free Our Art Booklet "9 Ideal Vacations." In it you'll find suggestions that will help you choose YOUR vacation. Call, or write to the address below for your copy. It's free—without obligation.

Every Detail Planned!

The Canadian National Railways have collected facts about Canada that will help you plan any kind of vacation.

Canadian National Railways

Apply to nearest C. N. Rys. Agent, or write General Passenger Dept., Moncton, Quebec, Montreal, Toronto, Winnipeg or Vancouver.

MONTREAL POOL UNLOADED STOCK

Said to be the Reason For Recent Weakness in Shares of Dominion Steel

By Resident Representative.

MONTREAL.—Keen interest has been felt in the Dominion Steel Corporation this week as a result of the new contract that was awarded to the company for 250,000 tons of steel ship plates at the end of the week, amounting to over $20,000,000, distributed over the five-year period. The action of the stock, however, was disappointing, as it rose to a high of 73 on Saturday and then eased off to a high on Monday of 72 at the opening as on Saturday, and fell off further during the next two days until 68¾ was reached as a low. From this it rallied a little but after the heavy buying that characterized it at the week-end liquidation followed it on each appearance, morning and afternoon.

There is an interesting story that is more or less corroborated in connection with the dealings this week, and that is that a Montreal pool unloaded holdings of some 7,000 to 8,000 shares and that these were taken up in large measure by a Toronto syndicate with Sir Henry Pellatt at its head. The sagging of the stock to its low was ascribed to the dumping of a lot of stock on the market without much regard to its feelings, and it fell quite hard. This was a little incident apart altogether from the respective pools' operations. Then comes the query, "What have the 'Toronto crowd' up their sleeves that they are forming a pool anyway?" And up to date the secret "up the sleeve" is unexplained, if any.

In reference to the plate mill Mark Workman, president of the company, stated that the new mill would be rushed to completion, and that it would be ready to turn out plates at the beginning of the new year. In speaking of the reduction of 50 cents per cwt. in the original contract price, Mr. Workman said:

"That is quite true, but we are facing changed conditions to those existing when the original contract was drawn up last year. In addition to this, we desire to extend every assistance in our power to the successful and highly necessary carrying out of the shipbuilding policy of the Government."

An important announcement was made by the Minister of Marine and Fisheries in connection with the contract. This was that "the action of the Government in reaching a decision to proceed with the ship's plate mill undertaking is ample indication that Canada has definitely embarked on a permanent shipbuilding policy on a large scale."

RAILROAD EARNINGS

C. P. R. and C. N. R. Report Gains, But G. T. R. Fell Behind

Traffic receipts of the three Canadian railroads for the first week of July totalled $5,822,526 as compared with $5,305,146 for the corresponding period in the previous year, an increase of $517,380 or 9.7 per cent. The Grand Trunk Railway showed a falling off of $44,500 or 4 per cent. Following are comparative figures:

	1919.	1918.	Change.	+
C.P.R..	$3,120,000	$2,787,000	+$333,000	11.9
C.N.R..	1,653,564	1,424,684	+ 228,880	14.1
G.T.R..	1,048,962	1,093,462	— 44,500	4.0
	$5,822,526	$5,305,146	+$517,380	9.7

A $4,000,000 CROP OF FALL WHEAT BEING HARVESTED

Continued from page 1.

his income. Hogs are staying around $24. Horses are showing signs of better money. Poultry has been furnishing the average farm with more money than was received from all sources five or ten years ago. Dairy products are high and new condenseries are being established and new demands made for milk, cream and butter. Agricultural Ontario was never in better shape to stand a Winter or to key up trade.

The cattle trade is a pure gamble with money. The farmer who has growing stuff on good pasture feels secure but undoubtedly the declining pastures will send a lot of half fat cattle to the market during the next few weeks. But there is nothing yet that points to a demoralized cattle trade. Farmers generally expect to put a lot of cattle into Winter feed lots at slightly lower prices.

West Improves Outlook

The Agricultural Department of Saskatchewan wires the POST this week that crop conditions have improved during the past two weeks. Early sown grain badly damaged by drought, but later sown will make an average crop. In the east central and north-eastern district, and in the northern part of the southeastern district conditions are above average. In the Regina-Weyburn district an average crop is expected. In the south central, the southwestern, the central, the west central and northwestern districts, the crops will be below average, and in some parts, a total failure. In the south central, southwestern and west central districts both seed and feed will be needed.

Western Canada has 15,300,000 acres of wheat and 9,500,000 of oats. The condition of the crops is spotted, ranging from poor to excellent, but, with a general average that now promises well. Manitoba has nearly 3,000,000 acres of wheat and 1,700,000 of oats.

TOWN OF NORTH BAY

DEBENTURES FOR SALE

Sealed tenders will be received by the undersigned up to and including the 2nd day of August, 1919, for the purchase of the following debentures of the Town of North Bay:—

(1) $25,640.75 for Sanitary Sewers, bearing interest at the rate of six per cent. per annum, repayable in twenty equal annual instalments of principal and interest.

(2) $21,000.00 for improvement and extension of waterworks system, bearing interest at the rate of six per cent. per annum, repayable in twenty equal annual instalments of principal and interest.

(3) $5,859.25 Local Improvement Debentures for sanitary sewers, bearing interest at the rate of six per cent. per annum, repayable in twenty equal annual instalments of principal and interest.

Delivery to be made at the Royal Bank of Canada, North Bay, Ont.

M. W. FLANNERY, Treasurer.

North Bay, July 16th, 1919.

City of St. Boniface 5% Bonds

Due Jan. 2nd, 1935

Payable at Toronto, Montreal, New York

At Attractive Price

Particulars on Request

Campbell, Thompson & Co.

Canada Life Building

TORONTO

The Bank of Toronto

DIVIDEND NO. 152.

NOTICE is hereby given that a Dividend of Three Per Cent. for the current quarter, being at the rate of Twelve Per Cent. per annum, upon the Paid-up Capital Stock of the Bank, has this day been declared, and that the same will be payable at the Bank and its branches on and after the Second day of September next to Shareholders of record at the close of business on the Thirteenth day of August next.

By Order of the Board.

THOS. F. HOW, General Manager.

The Bank of Toronto, Toronto, July 16th, 1919.

The St. Lawrence Flour Mills Co., Limited

DIVIDEND NOTICE.

Notice is hereby given that a dividend of one and three-quarters (1¾%) per cent. has been declared on the Preferred Shares of the Company for the quarter ending July 31st, payable on Friday, August 1st, to shareholders of record at close of business, July 19th.

By order of the Board.

A. E. GAGNON, Secretary.

The St. Lawrence Flour Mills Co., Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of one and one-half (1½%) per cent. and a bonus of one (1%) per cent. have been declared on the Common Shares of the Company for the quarter ending July 31st, payable on Friday, August 1st, to shareholders of record at close of business, July 19th.

By order of the Board.

A. E. GAGNON, Secretary.

NEW ISSUE

Nova Scotia Tramways & Power Co. Limited

HALIFAX - - NOVA SCOTIA

$1,000,000

Three Year 7 Per Cent.

Coupon Gold Notes

DATED 1st JUNE, 1919. DUE 1st JUNE, 1922

DENOMINATIONS: $500, $1,000

WHERE PAYABLE:—Principal and interest payable in Gold Coin at the option of the Bearer (or Registered Holder) at the Canadian Bank of Commerce, Halifax or Montreal, or at the agency of the Canadian Bank of Commerce, New York City. Interest Coupons payable 1st June and 1st December.

PRICE: Par and Accrued Interest to Yield 7%

GENERAL INFORMATION

(Furnished by the President of the Company)

OPERATIONS:—The Company owns and operates all the Street Railway, Electric Light, Power, and Gas properties in Halifax, and also operates the Commercial Lighting and Power business in Dartmouth. It acquired on its incorporation all the business assets and franchises of the Halifax Electric Tramway Company, and the enterprise has been in continuous and successful operation for over 24 years.

PURPOSE OF ISSUE:—To provide additional rolling stock, extensions and improvements in the present track layout, and an improved car service, together with gas plant and gas main extensions and additional boiler capacity. All of these items of capital expenditure are rendered necessary by the rapid and continuous growth of Halifax.

SECURITY:—The present issue of Coupon Gold Notes is a direct obligation upon the Company, and ranks senior to the $2,078,800 6% Preferred Stock and $2,510,000 Common Stock. No Mortgage Bonds or Debentures except the First Mortgage Bonds) may be issued unless the Coupon Gold Notes are secured in the same manner as such new issue.

EARNINGS: — The growth of the Company's business for the past five years has been consistent, as will be seen from the following figures:—

Gross Earnings	1914	....	$645,241.00
" "	1915	....	718,340.00
" "	1916	....	759,726.00
" "	1917	....	859,667.00
Gross Earnings	1918	....	$998,702.00
" "	*1919	....	1,325,500.00

*On basis of earnings ascertained to date.

MANAGEMENT:—Has recently been entrusted to Messrs. Stone & Webster, of Boston, Mass. This firm is well and favorably known throughout the United States, where they manage and operate over forty companies doing a similar business. The Company is, therefore, assured of efficient management by men who have made a special study of similar organizations. Too much importance cannot be given to this feature of the Company's affairs.

We make this offering subject in all cases to previous sale and change in price. Orders may be wired at our expense and Coupon Gold Notes or Registered Interim Receipts will be delivered free of charge at any Bank or Trust Company.

The foregoing statements and figures are based upon information obtained from reliable sources, and which while in no way guaranteed, are correct to the best of our knowledge and belief and furnish the basis upon which we have purchased the above issue.

F. B. McCurdy & Company

Members Montreal Stock Exchange

Montreal Sherbrooke St. John, N.B. Sydney St. John's, N'f'd Halifax